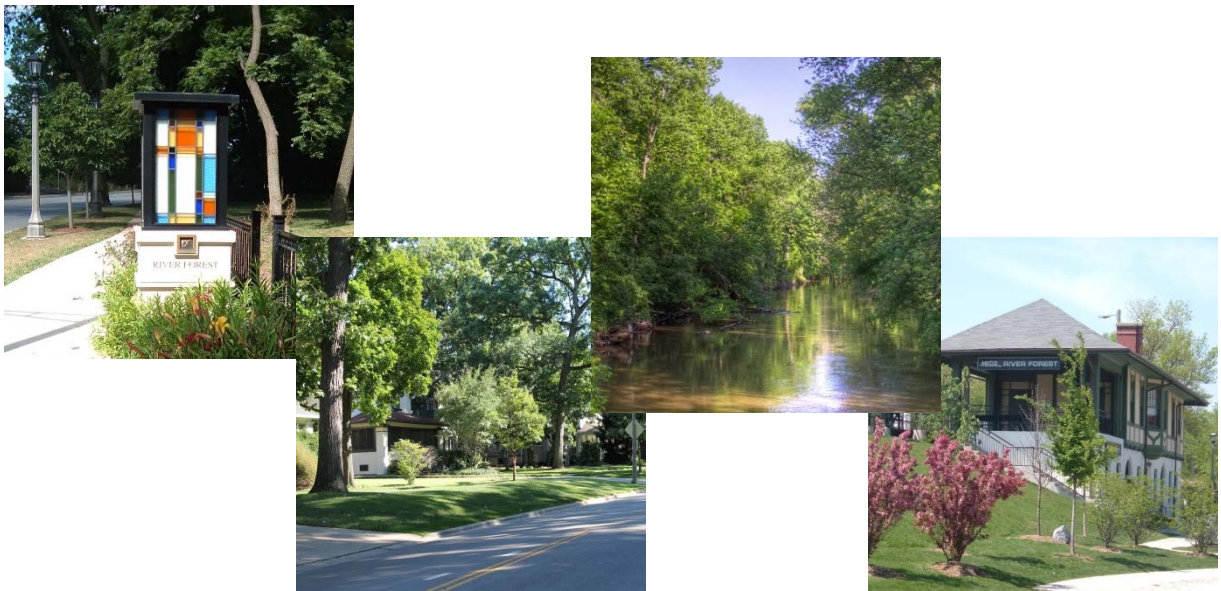


# Village of River Forest, Illinois



## Comprehensive Annual Financial Report

For the Fiscal Year Ended April 30, 2016



Issued by:

Joan Rock  
Finance Director

Cheryl Scott  
Assistant Finance Director

**VILLAGE OF RIVER FOREST, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE YEAR ENDED  
APRIL 30, 2016**

**Eric Palm  
Village Administrator**

**Prepared by the Finance Division**

**Joan Rock  
Finance Director**

**Cheryl Scott  
Assistant Finance Director**

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## **INTRODUCTORY SECTION**





September 29, 2016

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Honorable Catherine Adduci  
Members of the Board of Trustees, and  
Citizens of the Village of River Forest, Illinois

The Comprehensive Annual Financial Report (CAFR) of the Village of River Forest, Illinois, for the fiscal year ended April 30, 2016, is hereby presented. State law requires an annual audit for local governments. The audit must be conducted in accordance with generally accepted auditing standards, include all of the accounts and funds of the Village, and be completed within six months after the close of the fiscal year. The Village is required to issue a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP). The CAFR strives to exceed the basic legal requirements of state law and provides additional information to assist readers in understanding the Village's fiscal condition. As the auditor's report explains, the additional information provided in the CAFR was not audited, although it was reviewed by the auditors for information that might conflict with the audited information.

The financial report consists of management's representations concerning the finances of the Village of River Forest. Responsibility for the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Village. To the best of my knowledge and belief, this report is accurate in all material respects; it fairly represents the Village's financial position and results of operations; and, it provides all the disclosures needed to understand the Village's financial activities in Fiscal Year 2016. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the Village's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the financial statements in accordance with GAAP. Because the cost of internal controls should not exceed anticipated benefits, the Village's internal controls have been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement.

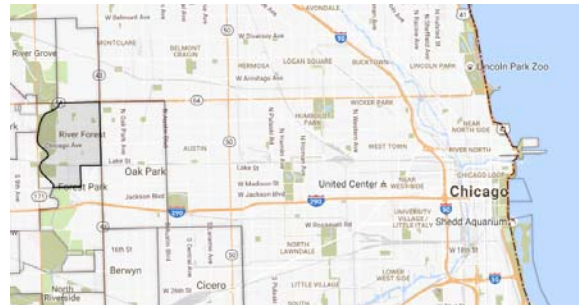
The Village's financial statements have been audited by **BKD, LLP**, a firm of licensed independent auditors that were selected by the Village Board of Trustees as the independent auditors for the Village. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of River Forest are free from material misstatement. The independent auditor issued an unmodified ("clean") opinion on the Village's financial statements for the year ended April 30, 2016. The Independent Auditor's Report is located in the beginning of the financial section of this report. The 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. The letter of transmittal should be read in conjunction with the MD&A.

## Profile of the Government

The Village of River Forest was incorporated on October 30, 1880, and is a non home-rule community, as defined by the Illinois Constitution. The Village operates under the Board/Administrator form of government. This form of government combines the leadership and policy-making skills of elected officials with the expertise of a professional administrator. The elected representatives set the policies that establish the Village's purpose, values, mission, and goals. The Village Administrator's role is to implement those policies in an efficient and effective manner.



Located approximately 10 miles west of downtown Chicago, residents have the benefit of the employment and entertainment opportunities offered by the City of Chicago combined with the advantages of a quiet residential community. The Village of River Forest has a land area of 2.5 square miles with approximately 31.6 miles of streets. The Des Plaines River borders the western edge of the Village and a commuter train station provides convenient access to the City of Chicago. The population of the Village, per the 2010 census, is



Dominican University

11,172. River Forest has diverse residential architecture that is quite unique and distinctive for communities within the Chicago metropolitan region. It has a variety of businesses including medical care facilities, dining and retail establishments. In addition, two universities are located in River Forest: Dominican and Concordia. The Village provides a full range of services to its citizens, businesses, and visitors. These services include police and fire protection, ambulance service, water and sewer utilities, building planning and zoning, construction and maintenance of streets and other infrastructure, and general administrative services.

The annual budget serves as the foundation for the Village's financial planning and control. A strategic planning session with the Village Board begins the budget process, at which time the Board sets the long and short-term goals for the Village. Departments prepare their budgets based on these goals and submit their budget requests for the upcoming fiscal year to the Budget Team that consists of the Village Administrator, Assistant Village Administrator and Finance Director. The Budget Team reviews these budget requests with departmental staff and develops a proposed budget to achieve the established goals within anticipated revenues. The Village Administrator's proposed budget is then presented to the Village Board. The Village Board is required to hold a public hearing on the proposed budget, and a final budget must be adopted by the Village Board by April 30th of each fiscal year.

The legal level of budgetary control is at the fund level. The Village Administrator is authorized to make budget transfers within any fund. Additions and transfers between funds require Village Board approval. Original and final amended budget-to-actual comparisons are provided for each individual governmental fund for which an annual budget has been

adopted. The General Fund comparison is included in the required supplementary information section. Other governmental fund comparisons are presented in the Combining, Individual Fund and Capital Asset Financial Statements and Schedules subsection of this report.

There were 77 full-time positions in the Fiscal Year 2016 annual budget. There are four different labor contracts for representing sworn police officers, firefighters, fire lieutenants, and public works employees.

### Local Economy

Over 200 businesses are licensed in the Village of River Forest. The commercial core is the River Forest Town Center that was developed using Tax Increment Financing District (TIF) revenues. This development includes restaurants, a grocery store and other retail stores. The Village has additional retail development along the North Avenue, Lake Street, Madison Street and Harlem Avenue corridors. Lake Street is a major thoroughfare that runs through the center of the Village. During Fiscal Year 2011, funds were set aside for future development at the corner of Lake and Lathrop, and at Lake and Harlem where the Town



Center is located. These funds are being held in the Economic Development Fund. Efforts are underway to establish two new Tax Increment Financing Districts along North Avenue and Madison Street.

Economic development continues to be a priority for the Village. The Village established an Economic Development Commission that consists of seven members who (1) advise the Village Board on the economic and community impact of potential developments, (2) identify and assess underutilized properties to develop strategies for their highest and best use, (3) encourage and support development within the Village in conjunction with existing corridor plans, land uses and the Village's development goals, (4) investigate and recommend incentives to facilitate economic growth, (5) maintain relationships with existing businesses and make recommendations to retain, enhance and market, (6) receive direction from the Board of Trustees and provide feedback and recommendations, and (7) coordinate economic development outreach to surrounding units of local government. The Village also utilizes an economic development consultant to assist with economic development efforts.

In Fiscal Year 2014, the Dominick's grocery store shut its doors when the parent company decided to close or sell all of its stores in the Chicago market. In Fiscal Year 2015, the Village Board approved a 7c Cook County Property Tax Incentive agreement with Fresh Thyme Farmers Market to fill this vacancy. Structural issues have delayed this project; however, construction continues and the store is expected to open in 2017. A retail clothing store closed in the River Forest Town Center at the end of the fiscal year. Illustrating the strong economic vitality at this location, the vacancy has already been filled with a sports apparel shop. The Village continues to work with developers and building management companies to attract new businesses.

In prior years, the Village was impacted by the nationwide real estate recession. Real estate activity has flourished in recent years. The Village collected \$110,084 from its .1% residential

real estate transfer tax during the year. The Village's equalized assessed valuation (EAV) decreased \$18.0 million, or about 3.7%, from \$488.4 million with the 2014 levy year to \$470.3 million in the 2015 levy year. The last reassessment was in 2014. At that time, some property values increased, and others declined resulting in the overall slight drop in value. New property totaled \$480,103 and was primarily due to residential construction. Property values in the Village have declined over the last five years due to the recession and recently because property is only reassessed every three years in Cook County. Since the most recent reassessment in 2014, the only changes to the Equalized Assessed Value have resulted from assessment appeals by residential and commercial property tax payers. We expect a significant increase in the Village's Equalized Assessed Value when the property is reassessed in 2017.



**Equalized Assessed Value**

Year	Equalized Assessed Value	Increase (Decrease)	% Increase (Decrease)
2015	\$470,348,398	(\$18,042,541)	-3.69%
2014	\$488,390,939	(\$4,795,354)	-0.97%
2013	\$493,186,293	(\$36,264,663)	-6.85%
2012	\$529,450,956	(\$43,653,508)	-7.62%
2011	\$573,104,464	(\$131,165,071)	-18.62%
2010	\$704,269,535	\$62,936,656	9.81%

There was an upswing in the value of construction improvements during the year that resulted in higher building permit revenues. In Fiscal Year 2016, 203 building permits were issued with a value totaling \$15,792,768. Most of these permits were for residential property improvements.

The median family income within the Village is \$156,835 which is significantly higher than the State as a whole. The median family income for the State based on the U.S. Census Bureau 2006-2010 survey was \$68,236.

**Long-Term Financial Planning**

As part of the budget process the Village Board meets to develop long-term goals for the Village. Three-year financial plans are prepared for the General and Waterworks and Sewerage Funds based on these goals, financial policies, the Capital Improvement Program, and future revenues and expenditures assumptions.

The Village prepares a five-year Capital Improvement Program (CIP) each year at the beginning of the budget process. The CIP is a multi-year planning instrument used to identify needed capital projects for improvements to Village buildings, equipment and infrastructure and capital equipment purchases, and to coordinate the financing and timing of these improvements. The program includes vehicles and equipment, building, street, curb, sidewalk and alley improvements, and rehabilitation and replacement of water and sewer infrastructure. The Village had a facilities evaluation performed during FY 2014. Recommended building improvements were included in the FY 2016 Capital Improvement Plan. Each year the CIP is



updated to incorporate new capital projects, changing goals and priorities, and additional funding sources.

The Village has a Capital Equipment Replacement Fund (CERF) to accumulate resources for vehicle and equipment replacement and some building improvements. Monies are set aside annually via transfers from the General and Waterworks and Sewerage Funds to finance the replacements. The amount of the annual transfer is determined based on the expected replacement cost divided by expected life of the vehicle or equipment. During Fiscal Year 2014, automated traffic signal enforcement fines were deposited into the fund from cameras located at two major intersections in the Village. The CERF Fund is now 100% funded assuming future annual contributions from the General and Waterworks and Sewerage Funds.

Beginning in Fiscal Year 2015, the automated traffic signal enforcement fines are being deposited into the Capital Improvement Fund, which is used for building and infrastructure improvements including alley, parking lot, building and other miscellaneous improvements. The Motor Fuel Tax Fund is used for street improvements and is primarily funded with State Motor Fuel Tax Allotments. Street Improvements are also periodically funded via General Obligation Debt.

In FY 2015, the Village approved pension funding policies for the Police and Firefighters' Pension Funds. These policies were developed after a series of meetings with the Village's Finance Committee and both pension boards. Cash flow projections were prepared for each fund using the using the agreed upon elements in the Pension Funding Policies. The Village will utilize a five-year transition plan to reach the desired funding level. The 2015 Property Tax Levy for the pension funds was based on the recommended amounts.

### **Relevant Financial Policies**

The Village's financial policies are intended to solidify the Village's long-term financial strategies and to provide guidance to management in preparing the budget and handling the Village's fiscal affairs. The Village expanded their existing financial policies a couple of years ago to include an updated fund balance policy and as previously mentioned, the Village approved Pension Funding Policies for the Police and Firefighters' Pension Funds during Fiscal Year 2015. These comprehensive funding policies stipulate the actuarial assumptions to be used in determining the Village's contribution to the funds each year. In addition, an updated Investment Policy and a new Grant Administration Policy were approved.

#### **General Fund**

Fiscal Year	Unassigned Fund Balance plus Restricted for Working Cash	Percentage of Subsequent Years Budgeted Expenditures
2016	\$6,933,290	44.8%
2015	\$6,628,343	44.5%
2014	\$6,125,045	42.0%
2013	\$5,249,005	35.3%
2012	\$4,265,167	30.7%

According to the Village's fund balance reserve policy, the General Fund unassigned fund balance, plus the amount restricted for working cash, should be maintained at a minimum of 25% of the General Fund total budgeted annual expenditures in the most recently approved annual budget. At April 30, 2016, this portion of fund balance is \$6,933,290 or 44.8% of Fiscal Year 2017 budgeted expenditures. This minimum fund balance policy is intended to provide financing for unanticipated expenditures and to prevent cash flow shortages due to the uncertain timing of property tax receipts.

The Village has a policy that nonrecurring (one-time) revenues should not be used for operating expenditures. The Village considers automated traffic enforcement fines to be nonrecurring and has deposited these funds into its CERF and Capital Improvement Funds to be used for future capital expenditures.

## Major Initiatives

The Village continues to seek ways to enhance revenues, reduce costs, and improve efficiencies in order to reduce the financial burden on the community. The major focus during Fiscal Year 2016 was on economic development and the Village is in the process of exploring the creation of two new Tax Increment Financing Districts and has created two business districts on Lake Street.

The Tax Increment Financing (TIF) District, located along Lake Street, was closed effective December 31, 2010. Prior to that date, several contracts were approved committing TIF Funds for future development within the district. These funds are being held in the Economic Development Fund to be used for development within the area. During Fiscal Year 2014, the Village entered into an agreement to utilize a portion of these funds to incent two businesses to locate within the Village Town Center. Both businesses contributed to the increase in municipal and non-home rule sales tax revenue in prior years. The agreement was recently revised because one of the businesses, a retail clothing store, closed during the year. The new agreement reflects the change to the new business that will fill this vacancy. Funds are still available for future development at the intersection of Lake and Lathrop. The Village continues to work with a developer on this site. A new business, Fresh Thyme Farmers Market, will be moving into the vacant grocery store property on North Avenue and is expected to open in 2017.



Construction on the Northside Stormwater Management Project was completed in FY 2016. The entire Village has had a combined storm and sanitary sewer system. This phased project created a new separate storm sewer system on the north side of the Village. Previously, the Village has combined storm and sanitary sewer lines. The combined sewer line is now used as the sanitary sewer. All clear water flow has been connected to the new storm sewer. Some streets on the north side were resurfaced as part of this project. The Village used reserves, a bank loan and an IEPA (Illinois Environmental Protection Agency) loan to fund the project. Sewer rates have been increased to pay the principal and interest payments on the loans.

The Village is involved with a joint streetscape improvement project with the Village of Forest Park to improve the appearance of Madison Street which runs between the two villages. The project will be funded via local contributions and an ITEP (Illinois Transportation Enhancement Program) Grant. Madison Street is a major commercial corridor at the south end of the Village. These improvements should assist the village in its economic development efforts in the area.

Liability risk is managed by maintaining sufficient insurance and also through routine monitoring of potential loss situations. A safety committee, comprised of employee representatives from each Village department, meets regularly to review accident and injury reports involving employees. The safety committee makes recommendations and suggestions to improve and promote workplace safety. The Village also participates in a risk management program that is administered by the Intergovernmental Risk Management Agency (IRMA). IRMA is a consortium of 69 local municipalities and special service districts in northeastern Illinois that work together to manage risk and fund their property, casualty, and workers' compensation claims.

The Village's bond rating was raised from AA+ to AAA by Standard & Poor's in August 2014 due to the Village's very strong financial performance, good financial management and policies, budgetary flexibility, strong reserves, and low debt burden. The rating was also affected by the Village's accessibility to and participation in the deep and diverse Chicago metropolitan area and its very strong local economy.

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) has established a Certificate of Achievement for Excellence in Financial Reporting Program for state and local governments. The GFOA's Certificate of Achievement is the highest form of recognition for excellence in government financial reporting.

In order to be awarded a Certificate of Achievement, the Village of River Forest must go beyond the minimum requirements of generally accepted accounting principles and prepare a comprehensive annual financial report (CAFR) that evidences the spirit of transparency and full disclosure.

The Village earned the GFOA's Certificate for the CAFR provided for the fiscal year ended April 30, 2015, for the eighth consecutive year. It was determined that the CAFR for that year sufficiently applied the appropriate generally accepted accounting principles, met applicable legal requirements, and also satisfied the reporting requirements of the GFOA's certificate program. A copy of the Certificate of Achievement for the fiscal year ended April 30, 2015, is provided on page x.

A Certificate of Achievement is valid for only one year. I believe this CAFR, for the fiscal year ended April 30, 2016, meets the GFOA's Certificate of Achievement program requirements, and it will be submitted to the GFOA to determine its eligibility for the Certificate of Achievement.

The Village also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the year ended April 30, 2017. To qualify for the award, the Village's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

This CAFR is the result of a well-functioning team that admirably weathered fiscal challenges and staffing changes. All Village management and department staff were responsible for successfully maintaining good accounting records, which are essential to the preparation of the Comprehensive Annual Financial Report (CAFR). The Village President and Board of Trustees were diligent in reviewing the periodic financial reports, maintaining an active finance committee, evaluating the Village's fiscal condition, and making leadership decisions to ensure that the Village maintains its sound fiscal bearing.

The preparation of this CAFR on a timely basis was made possible by the efficient and dedicated service of the entire Administration Department. I express my sincere appreciation to each member of the Department for their contributions. I would especially like to thank Eric Palm, the Village Administrator, for his leadership and guidance, Cheryl Scott, Assistant Finance Director, for her dedication, cooperation, and hard work during the audit, Jonathan Pape, Administrative Intern, for his assistance with the Statistical Section of the report, and Georgette Carlini, Utility Billing Clerk and Accounting Clerks Adriana Holguin and Nancy Sabia for their dependability, accuracy and thoroughness in processing transactions. It is the careful and conscientious attention on all levels of Village management and operational staff that has made the commendable preparation of this CAFR possible.

Respectfully submitted,

A handwritten signature in black ink that reads "Joan Rock". The signature is written in a cursive, flowing style.

Joan Rock  
Finance Director



**Village of River Forest, Illinois  
Principal Officials  
April 30, 2016**



**VILLAGE PRESIDENT**  
Catherine M. Adduci



**VILLAGE CLERK**  
Sharon Halperin

**VILLAGE TRUSTEES**



Thomas Cargie



Susan J. Conti



Carmela Corsini



Roma Colwell-Steinke



Thomas Dwyer, Jr.



Michael W. Gibbs

**VILLAGE ADMINISTRATOR**  
Eric Palm

**ASSISTANT VILLAGE ADMINISTRATOR**  
Lisa Scheiner

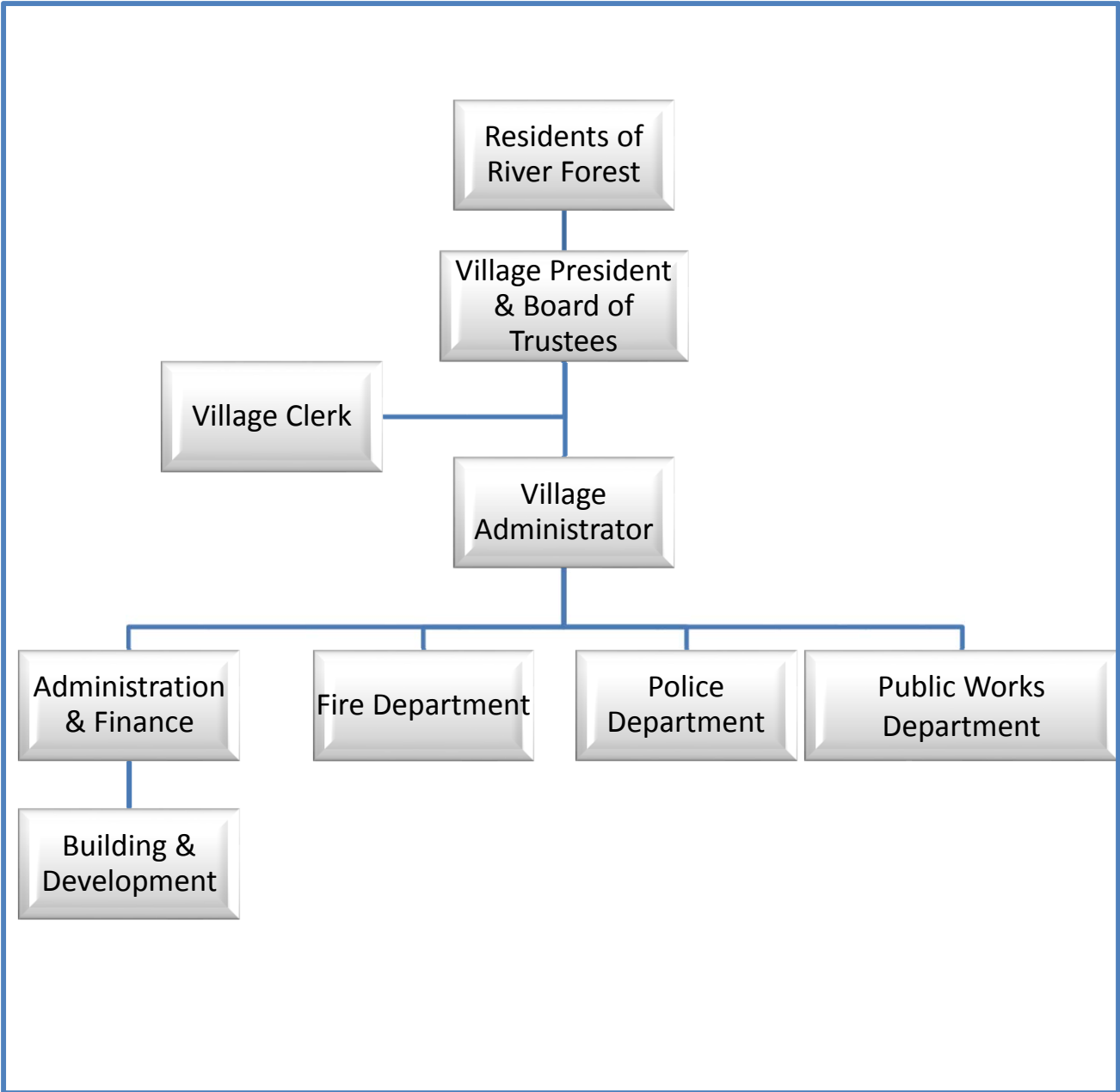
**FINANCE DIRECTOR**  
Joan Rock

**POLICE CHIEF**  
Gregory Weiss

**FIRE CHIEF**  
James Eggert

**PUBLIC WORKS DIRECTOR**  
John Anderson

# Organization Chart





Government Finance Officers Association

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

Presented to

**Village of River Forest  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**April 30, 2015**

Executive Director/CEO

## **FINANCIAL SECTION**

**INDEPENDENT AUDITOR'S REPORT**

## Independent Auditor's Report

Honorable Village President and  
Members of the Board of Trustees  
Village of River Forest, 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 for the Village of River Forest, Illinois, as of and for the year ended April 30, 2016, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

## **Opinions**

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

## **Emphasis of Matter**

As disclosed in Note 1 to the financial statements, in 2016 the Village adopted new accounting guidance required by Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Our opinions are not modified with respect to these matters.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-20 and budgetary comparison information for the General Fund, and pension and other postemployment information on pages 79-92 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of River Forest, Illinois' basic financial statements. The introductory section, combining, individual fund, capital asset financial statements and schedules, supplemental information and the statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Honorable Village President and  
Members of the Board of Trustees  
Page 3

The 2016 combining, individual fund, capital asset financial statements and schedules and supplemental information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining, individual fund, capital asset financial statements and supplemental information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

*BKD, LLP*

Oakbrook Terrace, Illinois  
September 29, 2016



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**VILLAGE OF RIVER FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**APRIL 30, 2016**

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

The MD&A focuses on the current year's activities, resulting changes, and currently known facts and should be read in conjunction with additional information that we have furnished in the Letter of Transmittal, which can be found on pages i-viii of this report.

**FINANCIAL HIGHLIGHTS**

- ➔ Net Position for the prior year was restated for both governmental and business-type activities due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* (GASB 68), for the fiscal year ended April 30, 2016. The statement requires the Village to record pension liabilities for the Village's Illinois Municipal Retirement Fund (IMRF), Police and Firefighters Pension Plans on the Statement of Net Position. The beginning governmental activities Net Position was restated by (\$30,501,499) from \$32,159,933 to \$1,658,434 and the business-type activities was restated by (\$113,656) from \$7,461,745 to \$7,348,089.
- ➔ The assets and deferred outflows of the Village exceeded its liabilities and deferred inflows at April 30, 2016 by \$8,636,492.
- ➔ The Village's total net position decreased by \$30,985,186 during the fiscal year (including the impact of the restatement). Governmental activities net position decreased by \$32,164,339 and business-type activities net position increased by \$1,179,153.
- ➔ The Village's Net Position includes an unrestricted deficit of (\$19,225,410), a decrease of \$31,048,085 due to an increase in the long-term liabilities and deferred inflows and outflows in the Statement of Net Position resulting from the implementation of GASB 68.
- ➔ The Village's combined governmental funds ending fund balance increased by \$285,391 to \$17,263,561.
- ➔ At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$6,398,258, an increase of \$304,947.
- ➔ Net capital assets of governmental activities decreased by \$161,212 in the current fiscal year due to the acquisition of vehicles and equipment and infrastructure improvements offset by depreciation expense and the disposal of capital assets. Business-type activities net capital assets increased \$13,796,356. The Village completed the Northside Stormwater Management Project (NSMP) during the fiscal year which provided separate stormwater and sanitary sewer services on the north side of the community.
- ➔ The Village's long-term liabilities increased by \$52,336,978 to \$57,205,794. The GASB 68 pension liabilities accounted for \$38,724,610 of this increase. In addition, the business-type activities long-term liabilities include a \$14,699,420 loan payable to the Illinois Environmental Protection Agency for the NSMP.

(See Independent Auditor's Report)

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Village of River Forest's basic financial statements. The Village's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The Governmental Accounting Standards Board (GASB) reporting model stipulates that the government financial activities are presented in two ways: as government-wide accrual-based statements, and as modified-accrual fund statements. This overview provides an explanation of the differences between these statements. Basically, the government-wide statements provide information on the financial condition of the Village as a whole, while the fund statements provide information on the availability and use of resources that are segregated for specific purposes. The Comprehensive Annual Financial Report (CAFR) also includes other elements that are essential to understanding the statements. These include the Required Supplementary Information, and the Combining, Individual Fund, and Capital Assets Financial Statements and Schedules.

### **Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Village's assets and liabilities, and deferred inflows/outflows of resources, with the difference 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. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the Village is improving or deteriorating.

The Statement of Activities 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 result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Village 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 reflect the Village's basic services, including general government, development, public safety (police and fire), public works, highways and streets, and sanitation. Property taxes, non-home rule sales taxes, shared state sales taxes, local utility taxes, shared state income taxes, and intergovernmental 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.

The government-wide financial statements can be found on pages 21-23 of the report.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements provide more complete and detailed information about the Village's major functions and activities. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

(See Independent Auditor's Report)

## VILLAGE OF RIVER FOREST ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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### Governmental Funds

Governmental funds are used to account for essentially the same functions as reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, however, governmental fund 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. Depreciation is not included in the governmental fund statements because depreciation does not represent the use of current financial resources. Similarly, long-term debt is not shown on the balance sheet because it does not relate to the use of current financial resources. 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 the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the Governmental Funds Balance Sheet, and the Governmental Funds 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 six individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General and Capital Equipment Replacement Funds, which are considered major funds. There are four nonmajor governmental funds: the Motor Fuel Tax (MFT), Alternate Revenue Debt Service, Economic Development, and Capital Improvement Funds. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. More detailed information on each individual fund is presented in the section entitled: Combining Individual Fund and Capital Asset Financial Statements and Schedules, starting on page 93. The Village adopts an annual budget for each governmental fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget. The governmental fund financial statements can be found on pages 21-23, in the Basic Financial Statements section of this report.

### Proprietary Funds

Proprietary funds are presented in the same manner in both the fund statements and government-wide statements, with depreciation as an expense and long-term debt included in the calculation of net position. The fund statements provided in this report provide additional detail. The Village maintains one proprietary fund, an enterprise fund called the Waterworks and Sewerage Fund. The statements for this fund can be found on pages 28-30 of this report.

### Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Activities from fiduciary funds are not included in the Village's government-wide financial statements because the resources of these funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village has two fiduciary funds: the Police Pension Fund and the Firefighters' Pension Fund, each of which are managed by separate boards. The combining fund statements, the Statement of Fiduciary Net Position – Pension Trust Funds and the Statement of Changes in Fiduciary Net Position – Pension Trust Funds can be found on pages 31 and 32 of this report.

(See Independent Auditor's Report)

**VILLAGE OF RIVER FOREST ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The Notes to the Financial Statements can be found on pages 38-78 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including the major General Fund budgetary schedule and data concerning the Village's progress in funding its obligation to provide pension benefits to its employees. Required Supplementary Information can be found on pages 79-92 of this report.

Combining, Individual Fund and Capital Asset Financial Statements and Schedules can be found on pages 93-116 of this report. The Supplemental Schedules, on 117-120, include detailed long-term debt payment information. The Statistical Section, on pages 121-152, includes information on government-wide revenues and expenditures, property taxes, and additional information.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following analysis provides an overview of the Village's financial activity, discusses the Village's current financial position and its ability to address future challenges, identifies specific concerns to individual funds, and explains material deviations from the Village's original budget.

**Statement of Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Village's assets exceeded its liabilities and deferred inflows by \$8,636,492 as of April 30, 2016. The largest portion of the Village's net position reflects its net investment in capital assets (\$24,308,432), including land, buildings, infrastructure, and equipment, less any related outstanding debt used to acquire or construct those assets. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted net position (\$3,553,470) represents resources that are subject to external restrictions on how they may be used. The Village has an overall Unrestricted Net deficit of (\$19,225,410) due to the implementation of GASB 68 which required the Net Pension Liability for Police, Firefighter and Illinois Municipal Retirement Fund pension plans to be recorded on the Statement. In prior years the liability for the pension plans was only disclosed in the Notes to the Financial Statements and Required Supplementary Information. The Village's combined net position decreased by \$30,985,186 as a result of the governmental activities decreasing \$32,164,339 offset by business-type activities increasing \$1,179,153. The following table

(See Independent Auditor's Report)

**VILLAGE OF RIVER FOREST ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

reflects the condensed Statement of Net Position (2015 information has not been adjusted for the adoption of GASB 68):

**Village of River Forest, Illinois**  
**Statement of Net Position**  
**April 30, 2016 and April 30, 2015**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Assets</b>						
Current and Other Assets	\$ 21,553,421	21,101,438	3,046,215	2,547,033	24,599,636	23,648,471
Capital Assets	17,549,045	17,710,257	22,104,168	8,307,812	39,653,213	26,018,069
<b>Total Assets</b>	<b>39,102,466</b>	<b>38,811,695</b>	<b>25,150,383</b>	<b>10,854,845</b>	<b>64,252,849</b>	<b>49,666,540</b>
<b>Total Deferred Outflows of Resources</b>	<b>6,704,375</b>	<b>-</b>	<b>195,516</b>	<b>-</b>	<b>6,899,891</b>	<b>-</b>
<b>Liabilities</b>						
Current	610,041	745,472	902,305	1,245,070	1,512,346	1,990,542
Long-Term Liabilities	41,403,098	2,720,786	15,802,696	2,148,030	57,205,794	4,868,816
<b>Total Liabilities</b>	<b>42,013,139</b>	<b>3,466,258</b>	<b>16,705,001</b>	<b>3,393,100</b>	<b>58,718,140</b>	<b>6,859,358</b>
<b>Total Deferred Inflows of Resources</b>	<b>3,798,108</b>	<b>3,185,504</b>	<b>-</b>	<b>-</b>	<b>3,798,108</b>	<b>3,185,504</b>
<b>Net Position</b>						
Net Investment in Capital Assets	17,549,045	17,550,257	6,759,387	6,307,314	24,308,432	23,857,571
Restricted	3,522,426	3,910,388	31,044	31,044	3,553,470	3,941,432
Unrestricted	(21,075,877)	10,699,288	1,850,467	1,123,387	(19,225,410)	11,822,675
<b>Total Net Position</b>	<b>\$ (4,406)</b>	<b>32,159,933</b>	<b>8,640,898</b>	<b>7,461,745</b>	<b>8,636,492</b>	<b>39,621,678</b>

The net position of the Village's governmental activities was (\$4,406). The Village's unrestricted net position from governmental activities was (\$21,075,877), a decrease of \$31,775,165. Most of this decrease (\$32,717,927) is to the implementation of GASB 68, which increased the pension liabilities, and the deferred inflows and outflows associated with the pensions. In Fiscal Year 2015, the Village's Net Pension Obligation of \$402,886 was recorded as required per GASB 27. The Net Pension Obligation was the cumulative differences between the Annual Required Contributions and the amounts actually contributed. With GASB 68, the Net Pension Liability and associated Deferred Inflows and Outflows are now recorded in the Statement of Net Position. The Net Pension Liability is the actuarially determined Total Pension Liability less the Plan Fiduciary Net Position of each plan. The significant decrease resulting from pension liabilities was offset by a \$942,762 increase in the portion of Unrestricted Net Position not associated with the pension liabilities of \$11,642,050. This increase is due to higher revenues from the State Income Tax, Use Tax, building permits, ambulance fees and the net change in the IRMA deposit in the General Fund and automated traffic signal enforcement fines in the Capital Improvement Fund. The Restricted Net Position in the governmental activities decreased \$387,962. The decrease is due to expenses for economic development and street improvements using restricted funds. There was a very slight decline in the Net Investment in Capital Assets of \$1,212 due to the net effect of capital asset activity during the year.

The Net Position of business-type activities was \$8,640,898, an increase of \$1,179,153 from FY 2015. Operating revenues exceeded operating expenses including depreciation by \$1,292,809. Water and Sewer revenues were lower than expected due to a 2.2% decline in billed water consumption resulting from wetter weather conditions. The cost of water from the City of Chicago was also lower because of the drop in water consumption. Rates were increased in May 2015 to fund operating costs and capital improvements including the Northside Stormwater Management Project (NSMP). Design engineering costs for the project were funded using cash reserves. The NSMP Phase 0 was financed with a bank loan and Phase 1 was funded with an IEPA Loan. The overall net position increased due to revenues from the higher water and sewer rates and lower operating costs. The Net Investment in Capital Assets increased \$452,073 due to current year debt

(See Independent Auditor's Report)



**VILLAGE OF RIVER FOREST ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

payments and capital purchases funded with reserves less current year depreciation. The unrestricted net position increased by \$727,080 due to the current year positive change in net position resulting from operations. The unrestricted net position may be used to fund infrastructure improvements and operating costs in the future. The increase was partially offset by the net IMRF pension liability recorded in Fiscal Year 2016 due to the implementation of GASB 68 (\$102,970).

The Deferred Outflows, Deferred Inflows and Liabilities associated with the Village's pension plans included in the Village's Statement of Net Position in Fiscal Year 2016 and 2015 are as follows:

**Impact of the Pension Liabilities on Net Position  
April 30, 2016 and April 30, 2015**

	Governmental Activities			Business-Type Activities		
	2016	2015	Inc (Dec)	2016	2015	Inc (Dec)
<b>Deferred Outflows of Resources</b>						
Pension Contributions made after Measurement Date	\$ 58,254		58,254	25,813	\$	25,813
Changes in Assumptions	3,293,788		3,293,788	2,468		2,468
Expected vs. Actual Experience	86,797		86,797	26,955		26,955
Projected vs. Actual Investment Earnings	3,265,536		3,265,536	140,280		140,280
<b>Total Deferred Outflows of Resources</b>	<b>\$ 6,704,375</b>	<b>-</b>	<b>6,704,375</b>	<b>195,516</b>	<b>-</b>	<b>195,516</b>
<b>Liabilities</b>						
Long-Term Liabilities						
Net Pension Obligation	\$	402,886	(402,886)		86,760	(86,760)
Net Pension Liability	38,829,010		38,829,010	385,246		385,246
<b>Total Liabilities</b>	<b>\$ 38,829,010</b>	<b>402,886</b>	<b>38,426,124</b>	<b>385,246</b>	<b>86,760</b>	<b>298,486</b>
<b>Deferred Inflows of Resources</b>						
<b>Expected vs. Actual Experience</b>	<b>\$ 593,292</b>		<b>593,292</b>			
<b>Impact on Unrestricted Net Position</b>	<b>\$ (32,717,927)</b>	<b>(402,886)</b>	<b>(32,315,041)</b>	<b>(189,730)</b>	<b>(86,760)</b>	<b>(102,970)</b>

The Net Pension Liability is the unfunded pension liability that is calculated by an actuary and is the Village's Total Pension Liability for Police, Firefighters and IMRF plans, less each plan's Fiduciary Net Position or the amount available to fund the liability. Deferred inflows and outflows of resources are also recorded because some of the changes to the Total Pension Liability are recognized over time rather than in the current year. Deferred inflows are increases to net position that will be recognized in future years. Deferred outflows will decrease net position in future years. Following are the types of deferred inflows and outflows reported in the Statement of Net Position and the time over which the item is recognized:

Deferred Inflow/Outflow	Description	Recognition Period
<b>Actuarial Experience</b>	The difference between the expected and actual actuarial experience due to demographic or economic experience.	Amortized over the average of the expected service lives of all active and inactive participants.
<b>Changes in Assumptions</b>	The impact on the Net Pension Liability due to a change in economic or demographic actuarial assumptions.	Amortized over the average of the expected service lives of all active and inactive participants.
<b>Asset Experience</b>	The difference between the expected and actual earnings on investments.	Amortized over 5 years.
<b>Employer Contributions</b>	Employer contributions after the measurement date.	Recognized in the subsequent year.

(See Independent Auditor's Report)

**VILLAGE OF RIVER FOREST ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**Village of River Forest, Illinois  
Changes in Net Position  
For the Fiscal Years Ended April 30, 2016 and April 30, 2015**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 4,010,072	3,901,629	4,569,701	4,069,829	8,579,773	7,971,458
Operating Grants	347,607	411,436			347,607	411,436
Capital Grants	316,519	248,497			316,519	248,497
General Revenues						
Property Taxes	6,396,586	6,288,974			6,396,586	6,288,974
Other Taxes	2,125,126	2,224,364			2,125,126	2,224,364
Intergovernmental	3,518,472	3,398,253			3,518,472	3,398,253
Other Rev and Transfers	356,678	300,644	27,371	(9,482)	384,049	291,162
<b>Total Revenues</b>	<b>17,071,060</b>	<b>16,773,797</b>	<b>4,597,072</b>	<b>4,060,347</b>	<b>21,668,132</b>	<b>20,834,144</b>
<b>Expenses</b>						
General Government	2,460,334	2,287,249			2,460,334	2,287,249
Development	557,136	470,447			557,136	470,447
Public Safety	11,474,585	9,426,332			11,474,585	9,426,332
Public Works	1,445,697	1,604,904			1,445,697	1,604,904
Highways and Streets	1,371,856	488,021			1,371,856	488,021
Sanitation	1,032,181	947,658			1,032,181	947,658
Interest	9,811	16,724			9,811	16,724
Water and Sewer			3,686,563	3,340,341	3,686,563	3,340,341
<b>Total Expenses</b>	<b>18,351,600</b>	<b>15,241,335</b>	<b>3,686,563</b>	<b>3,340,341</b>	<b>22,038,163</b>	<b>18,581,676</b>
<b>Transfers</b>	<b>(382,300)</b>		<b>382,300</b>			
Inc (Dec) Net Position	(1,662,840)	1,532,462	1,292,809	720,006	(370,031)	2,252,468
Net Position, May 1	32,159,933	30,627,471	7,461,745	6,741,739	39,621,678	37,369,210
Restatement ( Note 16)	(30,501,499)		(113,656)		(30,615,155)	
<b>Net Position (Deficit), April 30</b>	<b>\$ (4,406)</b>	<b>32,159,933</b>	<b>8,640,898</b>	<b>7,461,745</b>	<b>8,636,492</b>	<b>39,621,678</b>

***Governmental Activities***

Governmental activities, and the restatement required due to the implementation of GASB 68, decreased the Village's net position by \$1,662,840 and \$30,501,499, respectively. Key elements contributing to the decrease in net position due to current year activities are as follows:

**Revenues**

For the fiscal year ended April 30, 2016, revenues from governmental activities totaled \$17,071,060, an increase of \$297,263. Property taxes continue to be the Village's largest revenue source totaling \$6,396,586 and representing 37.5% of total governmental activities revenue. Other Taxes, including, utility, non-home rule sales and transfer taxes totaled \$2,125,126 or 12.4%. Intergovernmental revenues including State sales tax, income tax and other intergovernmental revenues, totaled \$3,518,472 or 20.6% of the total governmental activities revenues. Charges for Services include revenues from the automated traffic signal enforcement fines and sanitation services.

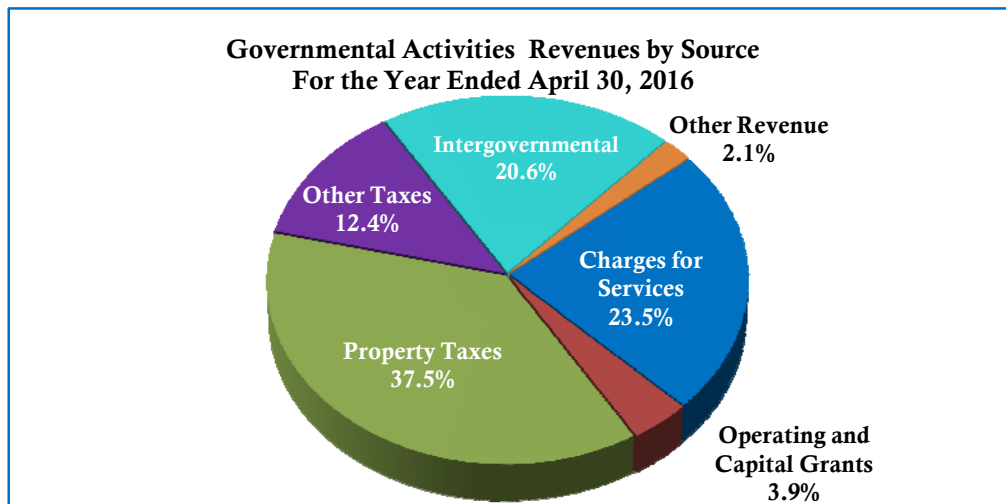
Property tax revenues were up \$107,612 or 1.7% in Fiscal Year 2016. Revenues include collections from the 2014 and 2015 Property Tax Levies. The 2015 Property Tax Levy was 1.64% higher than the 2014 levy. The increase in the levy is due to the increase in the Consumer Price Index from December 2013 through December 2014 of 0.8%, plus an additional amount for new property. Approximately half of the 2014 and

(See Independent Auditor's Report)



**VILLAGE OF RIVER FOREST ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**

2015 Property Tax Levies, plus collections from prior years, were received during FY 2016. The increase in revenues was slightly higher because of the timing of actual payments from the two levies.



Sales Tax revenues remained stable and State Use Tax revenue increased because Amazon began assessing the tax on purchases in the State beginning in February of 2015. In the prior year, a new food establishment opened, which also provided an increase in restaurant tax revenue. Unfortunately, the restaurant and a retail clothing store in the River Forest Town Center closed at the end of the fiscal year. A replacement for the retail vacancy has already been identified. Utility taxes are significantly lower because of milder winter weather conditions resulting in a reduction in consumption. Real Estate Transfer Taxes are higher due to an increase in residential homes sales activity.

Building permit revenue was higher due to an increase in residential and commercial improvements. Income tax revenue, distributed by the State, was also higher. Revenues from automated traffic signal enforcement fines increased as a result of an increase in the number of violations partially stemming from the activation of a second camera. Garbage collection charges are higher due to a 4% increase in the cost of sanitation services that is passed on to the customers. Investment income was higher in 2016 because an investment loss had been recognized in 2015.

**Changes in Select Governmental Activities Revenues  
For the Fiscal Years Ended April 30, 2016 and April 30, 2015**

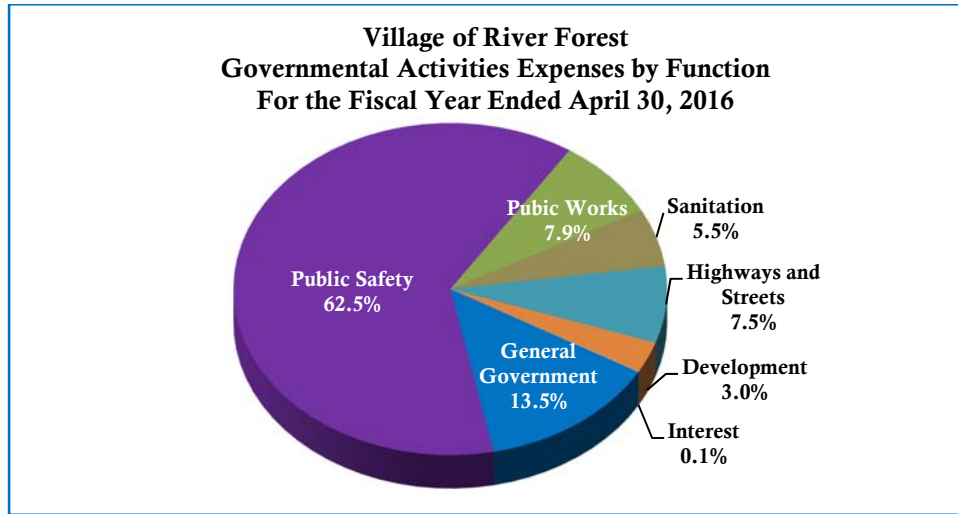
	Fiscal Year		Increase (Decrease)	% Increase (Decrease)
	2016	2015		
State Sales Tax	\$ 1,852,443	1,855,258	(2,815)	-0.2%
Non-Home Rule Sales Tax	885,574	871,224	14,350	1.6%
Utility Taxes	559,018	657,968	(98,950)	-15.0%
Restaurant Tax	172,387	151,361	21,026	13.9%
Income Tax	1,190,627	1,094,125	96,502	8.8%
Building Permits	471,698	442,394	29,304	6.6%
Garbage Collection Charges	947,369	895,892	51,477	5.7%

(See Independent Auditor’s Report)

**VILLAGE OF RIVER FOREST ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**

**Expenses**

For the fiscal year ended April 30, 2016, expenses from governmental activities totaled \$18,351,600, an increase of \$3,110,265 from Fiscal Year 2015. This significant increase in expenses caused the decrease in Net Position and was primarily due to the Pension Expense recognized in the statement as required by GASB 68. General Government includes Administration and Finance, Emergency 911, and Legal. Development includes the Building Division and Economic Development Fund expenses. The significant jump in expenses is primarily due to the increase in pension expenses due to the implementation of GASB 68. In addition, employee salaries increased as reflected in the collective bargaining agreements and information technology costs were higher due to hardware, software and security enhancements.



Public Works expenses decreased because tree maintenance costs were elevated in the prior year due to a large number of tree removals and replacements in an effort to combat the Emerald Ash Borer infestation. Highways and Streets expenses were higher due to the installation of energy efficient LED street lights, an expanded street resurfacing program, and Madison Street streetscape improvements which included new sidewalks, pedestrian lighting, planter boxes and benches. Development expenses include economic development incentives resulting from new retailers that opened in the River Forest Town Center. The chart below shows the governmental activities GASB 68 pension expense reflected in the Statement of Activities by plan:

**Governmental Activities  
GASB 68 Pension Expense by Pension Plan  
April 30, 2016**

IMRF	IMRF/SLEP	Police Pension	Firefighters Pension	Total
\$ 133,929	(4,332)	2,267,841	1,666,058	4,063,496

In the prior fiscal year, the employer pension contributions plus the change in the Net Pension Obligation was recorded in the Statement of Activities. The pension expense is now recorded which is the difference between the Net Pension Liability, and Deferred Inflows and Outflows from the prior to the current year. Pension expense includes the current year service cost, interest on the Total Pension Liability, administrative expenses, less projected investment earnings, current employee contributions and the impact of any changes in plan benefits. Pension expense is adjusted by current year recognition of any deferred inflows or outflows due to differences between projected and actual investment earnings and changes to the Total Pension Liability due to revised actuarial assumptions or unexpected actuarial experience.

(See Independent Auditor’s Report)

**VILLAGE OF RIVER FOREST ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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***Business-Type Activities***

Business-type activities increased the Village's net position by \$1,179,153 to \$8,640,898.

**Revenues**

Water and sewer sales increased \$499,872 to \$4,569,701 in Fiscal Year 2016 due to a 13.6% overall rate increase effective May 1, 2015, to cover higher operating expenses and capital improvements including the Northside Stormwater Management Project (NSMP). Rates were also increased in January of 2015 to offset a 15% increase in the cost of water by the City of Chicago. The City did not raise rates during Fiscal Year 2016. The overall sales revenue increase was lower than expected due to a decline in billed water consumption due to wetter weather conditions.

**Expenses**

Expenses from business-type activities increased \$346,222 or 10.4% to \$3,686,563. This is due to increases in salaries, information technology improvements, the January 1, 2015 increase in the cost of water from the City of Chicago and interest expenses associated with bank loan and IEPA loan for the NSMP. Capitalized expenses include Phase 1 construction costs for the NSMP. The pension expense for the business-type activities was \$67,243. Employees in the Waterworks and Sewerage Fund are all covered by the IMRF Plan.

**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS**

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

**Governmental Funds**

The focus of the Village'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's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year as they represent the portion of fund balance which has not been limited to use for a particular purpose by either an external party, or by the Village itself.

As of the end of the current fiscal year, the governmental funds reflect a combined fund balance of \$17,263,561 (as presented on pages 24-27), an increase of \$285,391 from the prior year. Of the total fund balance, \$6,398,258 is unassigned fund balance, which is available for spending at the Village's discretion. The remainder of fund balance is either nonspendable, restricted or committed to indicate that it is not in spendable form (\$2,322,885), legally required to remain intact (\$3,522,426) or committed by the Village for a particular purpose (\$5,019,992).

***General Fund***

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The 2016 unassigned fund balance for Village's General Fund increased by \$304,947 to \$6,398,258. The total fund balance increased by \$478,335 to \$9,361,810. This increase is because of higher than budgeted revenues including income tax, use tax, building permit, ambulance fees, and lower than anticipated expenditures substantially due to lower contributions to the public safety pensions due to the timing of property tax payments. The budget reflects the 2015 Property Tax Levy amount. In Fiscal Year 2016 approximately 50% of the 2014 Property Tax Levy and 50% of the 2015 Levy is recognized as revenue.

General Government expenditures are higher due to salary increases, an additional part-time employee, an increase in information technology expenditures to improve security and performance. Liability insurance costs were lower than expected. Emergency 911 costs were higher due to information technology costs associated with a new computer aided dispatch system. Building and Development had higher salary and

(See Independent Auditor's Report)

**VILLAGE OF RIVER FOREST ILLINOIS**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**

benefit costs. Overall Police and Fire Department expenditures are higher. Salaries include increases provided for in the collective bargaining agreement. Public Safety pension contributions were increased per the new Pension Funding Polices for the funds approved by the Village Board and the respective pension boards. Fire Personal Services include one-time sick leave payment due to employee retirements. Public Works expenditures are lower. Snow and ice control costs reflected a milder winter. Tree maintenance costs declined due to the prior year emphasis on the Emerald Ash Borer infestation. Regular salaries increased due to contractual pay raises but overtime was lower than the prior year due to the reduced amount of snow fall during the winter.

The nonspendable portion of fund balance increased \$168,559 primarily due to an increase in the deposit with IRMA, the Village’s public entity risk pool. The restricted fund balance decreased by \$387,962 due to economic development incentive payments and street maintenance expenditures with restricted funds. According to the Village’s financial policy, the General Fund unassigned fund balance, plus the amount restricted for working cash, should be maintained at a minimum of 25% of the General Fund total budgeted subsequent year expenditures to adequately cover unanticipated expenditures, revenue shortfalls or cover negative cash flows due to the timing of property tax receipts. At April 30, 2016, this amount is \$6,933,290 or 44.8% of Fiscal Year 2017 budgeted General Fund expenditures.

***Other Major Governmental Funds***

The Capital Equipment Replacement Fund (CERF) is used to accumulate resources for the purchase of Village vehicles, equipment, and improvements. The fund balance in CERF increased \$68,316 during the fiscal year to \$3,702,922 because revenues and other financing sources exceeded actual expenditures. Purchases included Police and Public Works vehicles and Fire equipment.

**Proprietary Fund**

At April 30, 2016 the Waterworks and Sewerage Fund (as presented on pages 28-30) total net position increased by \$1,179,153 to \$8,640,898. Operating revenues exceeded operating expenses including depreciation.

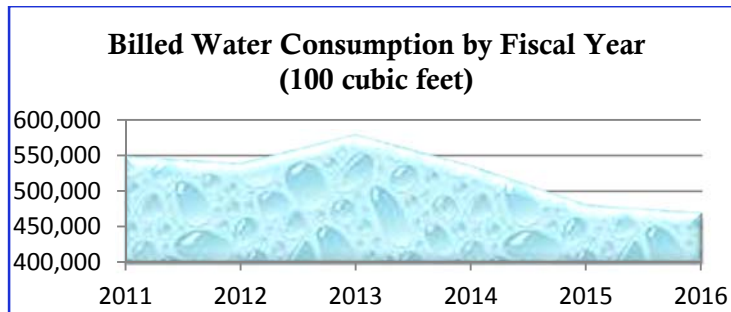
**Waterworks and Sewerage Fund**  
**Schedule of Changes in Net Position**

	Fiscal Year		Increase (Decrease)	% Increase (Decrease)
	2016	2015		
Operating Revenues	\$ 4,569,701	4,069,829	499,872	12.3%
Operating Expenses	3,515,540	3,306,419	209,121	6.3%
Operating Income	1,054,161	763,410	290,751	38.1%
Nonoperating Revenue (Expenses)	238,648	(43,404)	282,052	-649.8%
Change in Net Position	1,292,809	720,006	572,803	79.6%
Net Position				
Beginning	7,461,745	6,741,739	720,006	10.7%
Restatement	(113,656)		(113,656)	
Ending	\$ 8,640,898	7,461,745	1,179,153	15.8%

(See Independent Auditor’s Report)

**VILLAGE OF RIVER FOREST ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**

Although billed water consumption declined during the year, Water and Sewer Sales increased because water and sewer rates were raised. The overall rates were raised 13.6% on May 1, 2015 to cover increases in operating costs and capital improvements including the Northside Stormwater Management Project, and 4.8% in January 1, 2015 to offset the 15% increase in the rate charged for water by the City of Chicago. The decrease in consumption was primarily due to cooler and wetter weather conditions.



**GENERAL FUND BUDGETARY HIGHLIGHTS**

General Fund actual revenues were \$303,360 more than the final budgeted amount. The overage is due to higher than expected income tax, use tax, building permit, ambulance fees, and the net change in the IRMA deposit (\$87,514). These increases were offset by lower than expected utility tax payments due to the milder weather conditions and reduced fine revenue.

Actual expenditures were \$174,335 less than budgeted expenditures. This was due to lower than expected salary expenditures due to position vacancies, reduced cost for snow removal due to weather conditions, and lower than expected health insurance costs and public safety pension contributions. Sanitation costs were higher due to a 4% increase in the new contract with the service provider. This cost increase is passed along to customers. Street light maintenance costs were higher due to damage to underground cables and other infrastructure during the NSMP.

The General Fund budget was amended during the fiscal year to add a \$382,300 Transfer to the Water and Sewer Fund to pay down the Community Bank Loan using proceeds from the 2016 General Obligation Limited Bonds. Excess budgeted funds were transferred from police salaries, public works consulting, snow and ice control and street maintenance to cover additional costs for consulting, information technology, police and fire testing and building salaries and benefits.

**General Fund Budgetary Highlights**

	<b>2016 Original Budget</b>	<b>2016 Final Budget</b>	<b>2016 Actual</b>	<b>Final vs. Actual Over (Under)</b>
Revenues	\$ 14,907,364	14,907,364	15,210,724	303,360
Expenditures	14,445,177	14,445,177	14,270,842	(174,335)
Excess of Revenues over Expenditures	462,187	462,187	939,882	477,695
Other Financing Uses	(459,547)	(459,547)	(461,547)	(2,000)
Net Change in Fund Balance	\$ 2,640	2,640	478,335	475,695

(See Independent Auditor’s Report)

**VILLAGE OF RIVER FOREST ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The Village’s investment in capital assets net of depreciation for its governmental and business-type activities as of April 30, 2016, amounts to \$39,653,213. The investment in capital assets includes land, buildings, improvements other than buildings, vehicles and equipment, and infrastructure. This amount represents a net increase (including additions and deductions) of \$13,635,144.

Major capital asset events during the current fiscal year included the following:

- ➔ The replacement of four Police Department vehicles.
- ➔ The purchase of a monitor/defibrillator in the Fire Department.
- ➔ The replacement of sewer televising equipment in the Water and Sewer fund and the purchase of a Ford Cargo Van.
- ➔ Public Works purchased a skid steer loader, a chipper truck, and a pick-up truck with a snowplow.
- ➔ The construction of three green alleys.
- ➔ The Northside Stormwater Management Project (NSMP) was completed during FY 2016. The project provided separate stormwater and sanitary sewer services on the north side of the community.
- ➔ Watermains on Keystone, Lathrop, Monroe, and Park Avenues were replaced as part of the NSMP.

**Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land and Right of Way	\$ 4,965,950	4,965,950	500	500	4,966,450	4,966,450
Buildings	3,140,104	3,240,424	211,060	221,693	3,351,164	3,462,117
Water Distribution and Sewer Systems			19,932,615	3,757,589	19,932,615	3,757,589
Vehicles and Equipment	1,970,358	2,036,376	398,283	369,462	2,368,641	2,405,838
Infrastructure	7,472,633	7,156,545	1,561,710	1,605,676	9,034,343	8,762,221
Construction in Progress		310,962		2,352,892		2,663,854
	<u>\$ 17,549,045</u>	<u>17,710,257</u>	<u>22,104,168</u>	<u>8,307,812</u>	<u>39,653,213</u>	<u>26,018,069</u>

The governmental activities net capital assets decreased from last year by \$161,212, resulting from the increase in assets due to the alley improvements and the purchase of the vehicles and equipment, and the decrease due to the sale of replaced vehicles and depreciation.

(See Independent Auditor’s Report)



**VILLAGE OF RIVER FOREST ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**

The net increase in the business-type activities of \$13,796,356 is primarily due to construction costs associated with the Northside Stormwater Management Project (NSMP) and the watermain replacements less depreciation. The NSMP was a phased project that created a separate stormwater sewer line on the north side of the Village. The Village previously had combined sanitary and stormwater sewers lines on the north side. The former combined lines are now used as the sanitary sewer. Phase 0 was carved out and initiated earlier due to planned street closures on Thatcher Avenue by the Illinois Department of Transportation. Phase 1 included the installation of a large-diameter storm sewer on Keystone and Greenfield from Thatcher to Harlem Avenue as well as storm sewers on all remaining streets south of Greenfield. The project also included some water main and sanitary sewer installations due to conflicts with the new infrastructure. Phase I was completed during FY 2016. Detailed information on the current fiscal year changes in the Village’s capital assets is provided in the *Notes to the Financial Statements*, Note 5 starting on page 43.



**Long-Term Debt**

The table below provides a comparison of governmental and business-type long-term debt for fiscal years 2016 and 2015. The Village increased its general obligation debt by \$22,300 in Fiscal Year 2016. Principal payments totaled \$360,000. In addition, the Village issued \$382,300 in 2016 General Obligation Limited Bonds during the fiscal year. The proceeds of these bonds were used to pay down the Community Bank Loan used to finance Phase 0 of the NSMP. The bonds are being paid via property tax revenues. The Net Pension Obligations were eliminated and the Net Pension Liability was recorded due to the implementation of GASB 68. Business-Type Activities debt increased by \$13,654,666 primarily due to an increase IEPA loan amount which was used to finance Phase 1 of the Northside Stormwater Management Project. The project was completed during the fiscal year and the IEPA Loan proceeds are disbursed as construction is completed. The final amount of the loan is \$14,699,420.

**Long-Term Debt**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
General Obligation Bonds	\$ 482,300	305,000	495,000	650,000	977,300	955,000
IEPA Loan			14,699,420	763,616	14,699,420	763,616
Bank Loan			150,361	586,882	150,361	586,882
Compensated Absences	549,768	677,538	33,531	27,459	583,299	704,997
Net Pension Obligations - IMRF		162,510		86,760		249,270
Net Pension Obligations - Police and Fire Pensions		240,376				240,376
Net Pension Liability	38,829,010		385,246		39,214,256	
Other Post-Employment Benefits	1,542,020	1,335,362	39,138	33,313	1,581,158	1,368,675
	<u>\$ 41,403,098</u>	<u>2,720,786</u>	<u>15,802,696</u>	<u>2,148,030</u>	<u>57,205,794</u>	<u>4,868,816</u>

The outstanding general obligation debt consists of bonds issued for improvements to the River Forest Public Library (\$100,000) and the bonds issued to pay down the loan used for Phase 0 of the NSMP (\$382,300). The Village is responsible for levying taxes to pay for the debt. In addition, the Village issued \$1,355,000 in general obligation debt in 2008 for water system improvements. These debt payments are intended to be paid with water and sewer system revenues. The IEPA loan and balance of the Community Bank loan payments are to be funded via the sewer rate. As an Illinois non-home rule community, the Village is subject to debt

(See Independent Auditor’s Report)

**VILLAGE OF RIVER FOREST ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**

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limitation. The Village maintained an Aa2 rating from Moody’s Investors Service and its Standard and Poor’s rating was upgraded to AAA from AA+ in August of 2014.

Compensated Absences Payable is the amount of accrued vacation and sick leave time that is payable to employees at the end of the fiscal year. The Village Policies limit the amount of leave that can be carried over from year to year and employees are encouraged to use all of their vacation leave. Compensated absences decreased because of retirement payouts during the fiscal year.

Other Post-Employment Benefit Obligation is the amount of actuarially calculated contributions that the Village did not make to fund the retiree health insurance benefits that the Village currently provides. This is a single employer defined-benefit plan (Plan) and it is funded on a pay-as-you-go basis. Funding is reported in the Village’s General Fund and Waterworks and Sewerage Fund. During the fiscal year 2014, the Village instituted changes to the benefits and plans offered to employees in an effort to reduce the overall OPEB liability. Net Pension Obligation – IMRF, Police and Fire Pensions is basically the cumulative difference between the actuarially determined contributions to the pension and the actual contributions made.

Note 6 of the Notes to the Financial Statements, on page 45, provide more detailed information on the Village’s long-term debt.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES**

The Village seems to have weathered the world-wide recession and economic conditions within the Village have stabilized. Sales tax revenues have remained steady. The Village attracted some new businesses during the prior fiscal year in the River Forest Town Center and on North Avenue. The Town Center experienced a couple of vacancies during the year but the larger vacant space has been filled and is operational. The neighborhoods have remained attractive and vibrant and residential construction and improvements have continued. Construction is underway on a new luxury town home development on Madison Street at the former Hines Lumber site. Hines Lumber closed in 2009. The



Village Board is also reviewing options for a combination residential and commercial development at Lake Street and Lathrop Avenue.

Economic development has been a major focus of the Village and an Economic Development Committee was formed to provide the board with insight and advice regarding economic development opportunities. The board approved two business districts along Lake Street to assist with commercial development along the corridor. In addition, two new Tax Increment Financing Districts are also being evaluated, one on North Avenue and another on Madison Street. Both are major corridors and border the Village’s north and south sides. Funds have been set aside for future development at Lake and Lathrop and in the Village Town Center at Lake and Harlem. The Village entered into an agreement with the property manager at the Village Town Center to incent the opening of two new businesses. This agreement was recently revised due to a change in tenants. Fresh Thyme Farmers Market will be filling the vacancy that was left when the Dominick’s grocery store on North Avenue closed in 2013. There has been some delay in construction due to unexpected structural issues; however, building improvements are underway and the store is expected to open in 2017.



(See Independent Auditor’s Report)



## VILLAGE OF RIVER FOREST ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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The Village is an affluent community whose composition is primarily residential with a smaller commercial component. The property tax revenue derived from the residential and commercial properties is exceedingly stable. The 2010 census found that \$156,835 was the median income of families living in the Village. In addition, the median value of residential property was \$618,200. The Fiscal Year 2017 budget proposes a General Fund property tax increase of \$60,437 which includes the second installment of the 2015 Property Tax levy. This levy includes a 0.8% December 2013 to December 2014 increase in the Consumer Price Index. The 2016 property tax levy will include a 0.7% increase in the Consumer Price index. The first installment will be collected in the spring of Fiscal Year 2017.



A Citizens Advisory Committee on Finance was formed late in 2009 to review the Village's General Fund revenues and expenditures and to make recommendations to ensure the financial sustainability of the fund. The review completed by the committee made it clear that additional revenue enhancements or service reductions would be necessary in the future. The Village was instrumental in causing a change to the State Statute that allows non-home rule municipalities to adopt up to a 1% non-home rule sales tax to be used for any General Fund purpose. Previously, the law required the tax to be used only to reduce the property tax or for infrastructure improvements. Village voters approved a referendum in November 2010 allowing the Village to institute a 1% non-home rule sales tax. This tax is not assessed on prescription drugs or most groceries and was effective July 1, 2011. Fiscal Year 2013 was the first full year for this new revenue source which added \$784,724 to General Fund revenues. In Fiscal Year 2016 \$885,574 was collected. This continues to be an important revenue source for the Village. Other recommended revenue enhancements and expenditure reductions were also enacted that have greatly improved the financial outlook for the Village. These improvements, along with strong financial management, policies and fund reserves, resulted in an upgrade in the Village bond rating in 2014 from AA+ to AAA by Standard and Poor's in 2014. The Village continues to seek out ways to improve efficiency in operations in an effort to reduce costs and improve services.

The Village increased water and sewer rates 8.7% overall effective May 1, 2016, in order to cover operating expenses and capital improvements including the final costs associated with the Northside Stormwater Management Project (NSMP). Funding for sewer relining and water main replacements is expanded in Fiscal Year 2017. The Village conducted a five-year water and sewer rate study during Fiscal Year 2012 to ensure the sustainability of the Waterworks and Sewerage Fund. Based on this study a rate schedule was developed which would cover operating expenses and allow for 50% funding of future capital improvements via the rate. A new water rate study was initiated in Fiscal Year 2016 and is expected to be finalized shortly. The Village purchases water directly from the City of Chicago and has received positive news that the City will not be raising their water rate in 2016.

Budgeted expenditures include increases due to estimated salary adjustments which will be part of employee collective bargaining agreements. The agreements expired at the end of Fiscal Year 2016 and only a new Police agreement has been approved to date. Negotiations continue with the fire and public works unions. Employee health insurance and Illinois Municipal Retirement Fund contributions are also expected to moderately increase. The Fiscal Year 2017 General Fund budget includes increases to the Village's contribution to the Police and Firefighters' Pension Funds of 10.4% and 9.9%, respectively. During Fiscal Years 2014 and 2015, the Village and Police and Firefighters' Pension Boards participated in a joint process to develop written Pension Funding Policies for both funds. The goal was to identify an optimum funding policy and to develop a strategy for reaching that funding level. Both the Village and the pension boards approved the resulting policies during Fiscal Year 2015. The Village will utilize a five-year transition plan to reach the optimum funding policy beginning with the amounts budgeted in FY 2015. The contributions will increase about ten percent through Fiscal Year 2018 after which increase are expected to drop.

(See Independent Auditor's Report)

**VILLAGE OF RIVER FOREST ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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A new Capital Improvement Fund was created in Fiscal Year 2014. Beginning with Fiscal Year 2015, automated traffic signal enforcement fine revenues are being deposited in this fund which is used for infrastructure and building improvements including alleys, parking lots, and the Madison Avenue Streetscape Improvement Project. In prior years these projects were funded with General Fund reserves. Public works garage improvements (\$465,000) and alley replacements (\$230,000) are planned in Fiscal Year 2017. In addition, a commuter parking lot used for daily parking is to be reconstructed using permeable pavers with parking lot reserves that are accumulated in the fund. Daily and permit parking fees contribute to the reserve as required by Village ordinance.

**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 Joan Rock, Finance Director, Village of River Forest, 400 Park Avenue, River Forest, IL 60305 or at [jrock@vrf.us](mailto:jrock@vrf.us).

## **BASIC FINANCIAL STATEMENTS**

**VILLAGE OF RIVER FOREST, ILLINOIS**

Statement of Net Position

April 30, 2016

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and Cash Equivalents	\$ 6,554,147	1,231,155	7,785,302
Investments	7,470,638	148,800	7,619,438
Receivables			
Taxes	3,258,091		3,258,091
Accounts	1,649	887,104	888,753
Intergovernmental	1,534,846	533,810	2,068,656
Other	600,018		600,018
Internal Balances	(188,853)	188,853	
Prepaid Items	241,470	46,416	287,886
Deposit - Public Entity Risk Pool	2,071,083	10,077	2,081,160
Inventory	10,332		10,332
Capital Assets Not Being Depreciated	4,965,950	500	4,966,450
Capital Assets, Net of Accumulated Depreciation	12,583,095	22,103,668	34,686,763
<b>Total Assets</b>	<b>39,102,466</b>	<b>25,150,383</b>	<b>64,252,849</b>
<b>Deferred Outflows of Resources</b>			
Deferred Outflows of Resources - Pensions	6,704,375	195,516	6,899,891
<b>Liabilities</b>			
Accounts Payable	489,695	790,340	1,280,035
Accrued Interest	2,465		2,465
Deposits Payable		111,965	111,965
Due to Fiduciary Funds	14,389		14,389
Other Payables	103,492		103,492
Noncurrent Liabilities			
Due Within One Year	349,434	735,355	1,084,789
Due in More Than One Year	41,053,664	15,067,341	56,121,005
<b>Total Liabilities</b>	<b>42,013,139</b>	<b>16,705,001</b>	<b>58,718,140</b>
<b>Deferred Inflows of Resources</b>			
Deferred Property Taxes	3,204,816		3,204,816
Deferred Inflows of Resources - Pensions	593,292		593,292
<b>Total Deferred Inflows of Resources</b>	<b>3,798,108</b>	<b>-</b>	<b>3,798,108</b>
<b>Net Position</b>			
Net Investment in Capital Assets	17,549,045	6,759,387	24,308,432
Restricted for Working Cash	535,032		535,032
Restricted for Public Safety	105,635		105,635
Restricted for Economic Development	2,100,068		2,100,068
Restricted for Road Construction	608,881		608,881
Restricted for Debt Service	172,810		172,810
Restricted for Grant Programs		31,044	31,044
Unrestricted	(21,075,877)	1,850,467	(19,225,410)
<b>Total Net (Deficit) Position</b>	<b>\$ (4,406)</b>	<b>8,640,898</b>	<b>8,636,492</b>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Statement of Activities

Year Ended April 30, 2016

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants
Governmental Activities				
General Government	\$ 2,460,334	1,462,240	61,840	
Development	557,136			
Public Safety	11,474,585	1,600,463		316,519
Public Works	1,445,697			
Highways and Streets	1,371,856		285,767	
Sanitation	1,032,181	947,369		
Interest	9,811			
Total Governmental Activities	18,351,600	4,010,072	347,607	316,519
Business-type Activities				
Waterworks and Sewerage	3,686,563	4,569,701		
	\$ 22,038,163	8,579,773	347,607	316,519

General Revenues  
 Taxes  
   Property Taxes  
   Non-Home Rule Sales Taxes  
   Utility Taxes  
   Communication Taxes  
   Other Taxes  
 Intergovernmental  
   Intergovernmental - Sales Taxes  
   Intergovernmental - Income Taxes  
   Intergovernmental - Other Taxes  
 Miscellaneous Income  
 Investment Income  
 Transfers

Total General Revenues

Change in Net Position

Net Position

Net Position, Beginning of Year, as Previously Reported

Restatement for Adoption of GASB 68 (Note 16)

Net Position, Beginning of Year, as Restated

Ending

See Notes to Financial Statements

<u>Net (Expense) Revenue and Changes in Net Position</u>		
<u>Governmental</u>	<u>Business-Type</u>	
<u>Activities</u>	<u>Activities</u>	<u>Total</u>
(936,254)		(936,254)
(557,136)		(557,136)
(9,557,603)		(9,557,603)
(1,445,697)		(1,445,697)
(1,086,089)		(1,086,089)
(84,812)		(84,812)
(9,811)		(9,811)
(13,677,402)	-	(13,677,402)
	883,138	883,138
(13,677,402)	883,138	(12,794,264)
6,396,586		6,396,586
885,574		885,574
559,018		559,018
342,467		342,467
338,067		338,067
1,852,443		1,852,443
1,190,627		1,190,627
475,402		475,402
268,703	25,309	294,012
87,975	2,062	90,037
(382,300)	382,300	
12,014,562	409,671	12,424,233
(1,662,840)	1,292,809	(370,031)
32,159,933	7,461,745	39,621,678
(30,501,499)	(113,656)	(30,615,155)
1,658,434	7,348,089	9,006,523
(4,406)	8,640,898	8,636,492

VILLAGE OF RIVER FOREST, ILLINOIS

Balance Sheet – Governmental Funds

April 30, 2016

	General	Capital Equipment Replacement Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and Cash Equivalents	\$ 1,926,298	1,173,073	3,454,776	6,554,147
Investments	4,160,013	2,726,575	584,050	7,470,638
Receivables				
Taxes	3,136,271		121,820	3,258,091
Accounts			1,649	1,649
Intergovernmental	1,000,511		502,893	1,503,404
Refuse	212,837			212,837
Interest	14,086	4,092	7,103	25,281
Other	203,435	5,000	178,746	387,181
Due from Component Unit	6,161			6,161
Prepaid Items	241,470			241,470
Deposit - Public Entity Risk Pool	2,071,083			2,071,083
Inventory	10,332			10,332
<b>Total Assets</b>	<b>\$ 12,982,497</b>	<b>3,908,740</b>	<b>4,851,037</b>	<b>21,742,274</b>
<b>Liabilities</b>				
Accounts Payable	\$ 419,810	16,965	52,920	489,695
Due to Component Unit	2,213			2,213
Due to Fiduciary Funds	14,389			14,389
Advances from Other Funds		188,853		188,853
Other Payables	101,279			101,279
<b>Total Liabilities</b>	<b>537,691</b>	<b>205,818</b>	<b>52,920</b>	<b>796,429</b>
<b>Deferred Inflows of Resources</b>				
Unavailable Property Taxes	3,082,996		121,820	3,204,816
Unavailable Intergovernmental Revenues			477,468	477,468
<b>Total Deferred Inflows of Resources</b>	<b>3,082,996</b>	<b>-</b>	<b>599,288</b>	<b>3,682,284</b>
<b>Fund Balances</b>				
<b>Nonspendable</b>				
Prepaid Items	241,470			241,470
Deposit - Public Entity Risk Pool	2,071,083			2,071,083
Inventory	10,332			10,332
<b>Restricted</b>				
Working Cash	535,032			535,032
Public Safety	105,635			105,635
Economic Development			2,100,068	2,100,068
Road Construction			608,881	608,881
Debt Service			172,810	172,810
<b>Committed</b>				
Parking			752,404	752,404
Capital Improvements		3,702,922	564,666	4,267,588
Unassigned	6,398,258			6,398,258
<b>Total Fund Balances</b>	<b>9,361,810</b>	<b>3,702,922</b>	<b>4,198,829</b>	<b>17,263,561</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 12,982,497</b>	<b>3,908,740</b>	<b>4,851,037</b>	<b>21,742,274</b>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position

April 30, 2016

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Total Fund Balances - Governmental Funds		\$ 17,263,561
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		17,549,045
Some of the intergovernmental revenue will be collected after year end but are not available soon enough to pay for the current periods expenditures and, therefore, are deferred in the funds.		477,468
Deferred Outflows of Resources, Pension Related		6,704,375
Deferred Inflows of Resources, Pension Related		(593,292)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds. These activities consist of:		
General Obligation Bonds Payable	(482,300)	
Accrued Interest	(2,465)	
Post-Employment Benefits Payable	(1,542,020)	
Accrued Compensated Absences Payable	(549,768)	
Net Pension Liabilities	<u>(38,829,010)</u>	
		<u>(41,405,563)</u>
Net Position of Governmental Activities		<u>\$ (4,406)</u>



**VILLAGE OF RIVER FOREST, ILLINOIS**

Statement of Revenues, Expenditures and Changes in  
Fund Balances – Governmental Funds

Year Ended April 30, 2016

	General	Capital Equipment Replacement Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Taxes	\$ 8,281,010		240,702	8,521,712
Intergovernmental	3,579,247	10,718	312,364	3,902,329
Licenses and Permits	1,117,850			1,117,850
Charges for Services	1,638,575		63,628	1,702,203
Fines and Forfeits	280,957		909,062	1,190,019
Investment Income	49,381	25,542	13,052	87,975
Miscellaneous	263,704	4,999		268,703
<b>Total Revenues</b>	<b>15,210,724</b>	<b>41,259</b>	<b>1,538,808</b>	<b>16,790,791</b>
<b>Expenditures</b>				
<b>Current</b>				
General Government	2,288,895		12,000	2,300,895
Public Safety	9,173,978			9,173,978
Public Works	1,414,672			1,414,672
Highways and Streets			513,450	513,450
Sanitation	1,032,181			1,032,181
Development	361,116			361,116
<b>Debt Service</b>				
Principal Retirement			205,000	205,000
Interest and Fiscal Charges			12,253	12,253
Capital Outlay		471,322	1,057,365	1,528,687
<b>Total Expenditures</b>	<b>14,270,842</b>	<b>471,322</b>	<b>1,800,068</b>	<b>16,542,232</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>939,882</b>	<b>(430,063)</b>	<b>(261,260)</b>	<b>248,559</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In		461,547		461,547
Transfers Out	(843,847)			(843,847)
Bond Proceeds	382,300			382,300
Sale of Capital Assets		36,832		36,832
<b>Total Other Financing Sources (Uses)</b>	<b>(461,547)</b>	<b>498,379</b>	<b>-</b>	<b>36,832</b>
<b>Net Change in Fund Balances</b>	<b>478,335</b>	<b>68,316</b>	<b>(261,260)</b>	<b>285,391</b>
<b>Fund Balances</b>				
Beginning	8,883,475	3,634,606	4,460,089	16,978,170
Ending	\$ 9,361,810	3,702,922	4,198,829	17,263,561

**VILLAGE OF RIVER FOREST, ILLINOIS**

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

Year Ended April 30, 2016

Net Change in Fund Balances – Governmental Funds	\$ 285,391
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. These activities consist of:	
Capital Outlay	509,332
Depreciation Expense	<u>(610,715)</u>
	(101,383)
Governmental funds report proceeds from the sale of capital assets while the governmental activities report gains and losses on sales of capital assets. This is the remaining book value of the disposed assets.	
	(59,829)
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding in the Statement of Net Position.	
	(382,300)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	
	205,000
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	
	280,269
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:	
Change in IMRF Net Pension Liability	(503,556)
Change in Fire Net Pension Liability	(3,290,902)
Change in Police Net Pension Liability	(4,072,087)
Change in Deferred Outflows for Pensions	6,704,375
Change in Deferred Inflows for Pensions	(651,372)
Change in Other Post-Employment Benefits Payable	(206,658)
Change in Compensated Absences Payable	<u>127,770</u>
	(1,892,430)
Interest on long-term debt is shown as a fund expenditure when paid, but is accrued in the Statement of Activities.	
	<u>2,442</u>
Change in Net Position of Governmental Activities	<u>\$ (1,662,840)</u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Waterworks and Sewerage Fund

Statement of Net Position – Proprietary Fund

April 30, 2016

Assets

Current Assets

Cash and Cash Equivalents	\$ 1,231,155
Accounts Receivable	887,104
Intergovernmental Receivable	533,810
Investments	148,800
Prepaid Items	46,416
Deposit - Public Entity Risk Pool	10,077
Total Current Assets	<u>2,857,362</u>

Noncurrent Assets

Advances to Other Funds	188,853
Capital Assets, Net of Accumulated Depreciation	<u>22,104,168</u>
Total Noncurrent Assets	<u>22,293,021</u>

Total Assets 25,150,383

Deferred Outflows of Resources

Deferred Outflows of Resources Related to Pension (IMRF)	<u>195,516</u>
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Liabilities

Current Liabilities

Accounts Payable	790,340
Deposits Payable	111,965
General Obligation Bonds Payable - Current	160,000
Loans Payable - Current	51,846
IEPA Loan Payable	516,803
Compensated Absences - Current	6,706
Total Current Liabilities	<u>1,637,660</u>

Noncurrent Liabilities

General Obligation Bonds Payable	335,000
Loans Payable	98,515
IEPA Loan Payable	14,182,617
Compensated Absences	26,825
Other Post-Employment Benefits Payable	39,138
Net Pension Liability	<u>385,246</u>
Total Noncurrent Liabilities	<u>15,067,341</u>

Total Liabilities 16,705,001

Net Position

Net Investment in Capital Assets	6,759,387
Restricted for Grant Programs	31,044
Unrestricted Net Position	<u>1,850,467</u>

Total Net Position \$ 8,640,898

**VILLAGE OF RIVER FOREST, ILLINOIS**

Waterworks and Sewerage Fund

Statement of Revenues, Expenses and Changes in  
Net Position – Proprietary Fund

Year Ended April 30, 2016

Operating Revenues	
Charges for Services	
Water Sales	\$ 2,870,319
Sewer Charges	1,696,090
Sales of Meters	3,292
Total Operating Revenues	<u>4,569,701</u>
Operating Expenses, Excluding Depreciation	
Personal Services	931,475
Contractual Services	547,847
Commodities	1,621,643
Capital Outlay	244,520
Total Operating Expenses, Excluding Depreciation	<u>3,345,485</u>
Operating Income Before Depreciation	1,224,216
Depreciation	<u>170,055</u>
Operating Income	<u>1,054,161</u>
Nonoperating Revenues (Expenses)	
Investment Income	2,062
Interest Expense	(162,831)
Loss on Disposal of Property	(8,192)
Transfers In	382,300
Miscellaneous	25,309
Total Nonoperating Revenues (Expenses)	<u>238,648</u>
Change in Net Position	<u>1,292,809</u>
Net Position	
Net Position, Beginning of Year, as Previously Reported	7,461,745
Restatement for Adoption of GASB 68 (Note 16)	<u>(113,656)</u>
Net Position, Beginning of Year, as Restated	<u>7,348,089</u>
Ending	<u>\$ 8,640,898</u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Waterworks and Sewerage Fund

Statement of Cash Flows – Proprietary Fund

Year Ended April 30, 2016

Cash Flows from Operating Activities	
Receipts from Customers	\$ 4,756,386
Payments to Suppliers	(2,677,019)
Payments to Employees	(734,748)
	<u>1,344,619</u>
Cash Flows from Noncapital Financing Activities	
Interfund Transfers	382,300
Advances to Other Funds	29,278
	<u>411,578</u>
Cash Flows from Capital and Related Financing Activities	
Interest Paid	(38,146)
Loan Proceeds	13,935,804
Purchases of Capital Assets	(14,380,736)
Principal Payments on Loans	(436,521)
Principal Payment on General Obligation Bonds	(155,000)
	<u>(1,074,599)</u>
Cash Flows from Investing Activities	
Interest	2,062
Purchase of Investments	(148,800)
	<u>(146,738)</u>
Net Increase in Cash and Cash Equivalents	534,860
Cash and Cash Equivalents	
Beginning of Year	<u>696,295</u>
End of Year	<u>\$ 1,231,155</u>
Reconciliation of Operating Income to Net Cash	
Provided by Operating Activities	
Operating Income	\$ 1,054,161
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities	
Depreciation	170,055
Miscellaneous Revenues	25,309
Changes in Assets and Liabilities	
Decrease in Accounts Receivable	160,829
Increase in Prepaid Items	(231)
Increase in Deferred Outflows	(195,516)
Increase in Accounts Payable	(64,719)
Increase in Deposit - Public Entity Risk Pool	(5,398)
Increase in Deposits Payable	2,855
Increase in Deferred Inflows	547
Increase in Compensated Absences Payable	6,072
Increase in Other Post-Employment Benefits Payable	5,825
Increase in Net Pension Obligation	184,830
	<u>\$ 1,344,619</u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Statement of Fiduciary Net Position – Pension Trust Funds

April 30, 2016

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	<u>Pension Trusts</u>
Assets	
Cash and Cash Equivalents	\$ 2,105,039
Investments	
Equities	1,421,055
Corporate Bonds	3,822,047
Municipal Bonds	104,217
U.S. Government Obligations	8,086,222
Mutual Funds	17,808,300
Insurance Company Contracts	1,368,324
Accrued Interest	86,749
Due From Municipality	14,389
Prepaid Expense	<u>12,603</u>
Total Assets	34,828,945
Liabilities	
Accounts Payable	<u>26,853</u>
Net Position Restricted for Pensions	<u><u>\$ 34,802,092</u></u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Statement of Changes in Fiduciary Net Position – Pension Trust Funds

Year Ended April 30, 2016

	<u>Pension Trusts</u>
Additions	
Contributions	
Participant Contributions	\$ 442,274
Employer Contributions	<u>2,077,272</u>
	<u>2,519,546</u>
Investment Income (Loss)	
Net Depreciation in Fair Value of Investments	(1,650,050)
Interest and Dividends	<u>714,589</u>
	(935,461)
Less Investment Expense	<u>86,868</u>
Net Investment Loss	<u>(1,022,329)</u>
Total Additions	<u>1,497,217</u>
Deductions	
Benefits	3,442,046
Administrative Expense	<u>112,905</u>
Total Deductions	<u>3,554,951</u>
Change in Net Position	(2,057,734)
Net Position Restricted for Pensions	
Beginning	<u>36,859,826</u>
Ending	<u>\$ 34,802,092</u>



# VILLAGE OF RIVER FOREST, ILLINOIS

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April 30, 2016

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## VILLAGE OF RIVER FOREST, ILLINOIS

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## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 1. Summary of Significant Accounting Policies

The accounting policies of the Village of River Forest (Village), as reflected in the accompanying financial statements for the year ended April 30, 2016, conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies:

#### A. Financial Reporting Entity

As required by GAAP, these financial statements present the Village and any component units. Component units are entities for which the Village is considered to be financially accountable. "Blended" component units, although legally separate entities, are, in substance, part of the Village's operations. Therefore, data from these units are combined with data of the primary government. On the other hand, "discretely presented" component units, if any, are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the Village.

Because of the nature of the relationship of the Village to the Police and Firefighters' Pension Funds, the Village has included the Police and Firefighters' Pension Funds as blended component units within the Village's financial statements. The Police and Firefighters' Pension Funds are reported as if they were part of the Village because their sole purpose is to provide retirement benefits for the Village's police and firefighter employees. Therefore, data from these units is combined with data of the primary government. The Police and Firefighters' Pension Funds are reported as fiduciary funds, and specifically pension trust funds, due to the fiduciary responsibility exercised over the Police and Firefighters' Pension Funds. The Police and Firefighters' Pension Funds have not issued a separate Annual Financial Report for the year ended April 30, 2016.

#### *Discretely Presented Component Unit*

The Village does not report any discretely presented component units.

#### B. Government-wide and Fund Financial Statements

The government-wide financial statements (*i.e.*, the Statement of Net Position and Statement of Activities) report information on all of the nonfiduciary activities of the Village. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported, instead, as general revenues.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 1. Summary of Significant Accounting Policies (Cont.)

#### B. Government-wide and Fund Financial Statements (Cont.)

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 and enterprise funds are reported as separate columns in the fund financial statements. Individual nonmajor funds are reported in the supplementary information.

#### C. Fund Accounting

The Village uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three broad categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

The Village has the following fund types:

**Governmental Funds** are used to account for the Village's general governmental activities. There are four of these types and they use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

The *General Fund* is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*Special Revenue Funds* account for the collection and disbursement of earmarked monies.

*Debt Service Funds* account for the servicing of general long-term debt not financed by proprietary funds.

*Capital Projects Funds* account for the acquisition of capital assets or construction of major capital projects not financed by proprietary funds.

**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 for sound financial administration. Goods or services from such activities are provided to outside parties by the enterprise fund.

The *Enterprise Fund* (Waterworks and Sewerage Fund) is used to account for those operations that are financed and operated in a manner similar to private business or where the Village Board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

**Fiduciary Funds** account for assets held by the government in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the government under the terms of a formal trust agreement.

*Pension Trust Funds* are accounted for in essentially the same manner as the proprietary fund, using the same measurement focus and the accrual basis of accounting. The pension trust funds account for the assets and activity of the Village's Police Pension Trust Fund and Firefighters' Pension Trust Fund.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 1. Summary of Significant Accounting Policies (Cont.)

#### D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Property taxes are recognized as revenue in the year for which they are intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers property taxes as available if they are collected within 60 days of the end of the current fiscal period. A 90 day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments are recorded when payment is due.

Property taxes, sales and use taxes, utility taxes, income taxes, motor fuel taxes, interest revenue and charges for services revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

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 required to be accounted for in another fund.

The *Capital Equipment Replacement Fund* is a capital projects fund which accounts for financial resources used for the replacement of equipment.

The Village reports the following major and only enterprise fund:

The *Waterworks and Sewerage Fund* accounts for the provision of water services, sewer repair and improvement services to the residents of the Village of River Forest. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Additionally, the Village reports the following fiduciary funds:

The *Police Pension Trust Fund* accounts for the accumulation of resources to pay pension costs. Resources are contributed by police force members at rates fixed by state statutes and by the Village through an annual property tax levy.

The *Firefighters' Pension Trust Fund* accounts for the accumulation of resources to pay pension costs. Resources are contributed by fire personnel members at rates fixed by state statutes and by the Village through an annual property tax levy.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 1. Summary of Significant Accounting Policies (Cont.)

#### D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont.)

Amounts reported as program revenues include charges to customers or applicants for goods, services or privileges provided and operating grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Village reports unearned revenue on its financial statements. Unearned revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources also arise when resources are received by the Village before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met or when the Village has a legal claim to resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

The Village reports deferred inflows of resources on its Statement of Net Position and Governmental Fund Balance Sheet. Deferred inflows of resources arise when resources are received by the Village that represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. In subsequent periods, when the Village has a legal claim to the resources, the liability for deferred inflows of resources is removed from the Statement of Net Position and Governmental Fund Balance Sheet and revenue is recognized.

#### E. Budgets

Budgets are adopted on a basis consistent with GAAP, with the exception of the Waterworks and Sewerage Fund which is budgeted to include principal payments and capitalized assets. Annual appropriated budgets are adopted (at the fund level) for the general, special revenue, debt service, capital projects, enterprise and pension trust funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

#### F. Cash Equivalents

For purposes of the Statement of Cash Flows, all highly liquid investments with maturities of three months or less at the date purchased are considered cash equivalents.

#### G. Investments

Investments are reported at fair value.

# VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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## 1. Summary of Significant Accounting Policies (Cont.)

### H. Receivables

The recognition of receivables associated with nonexchange transactions is as follows:

- Derived tax receivable (such as sales, income and motor fuel taxes) are recognized when the underlying exchange has occurred.
- Imposed nonexchange receivables (such as property taxes and fines) are recognized when an enforceable legal claim has arisen.
- Government mandates or voluntary nonexchange transaction receivable (such as mandates or grants) are recognized when all legal requirements have been met.

### I. Prepaid Items/Expenses

Prepaid items/expenses represent payments made to vendors during the fiscal year for services that will benefit future periods. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

### J. Inventories

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

### K. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (*e.g.*, roads, sidewalks, bridges and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined as having a useful life greater than one year with an initial, individual cost of more than \$10,000 for vehicles and equipment, \$50,000 for buildings and \$100,000 for infrastructure. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation.

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

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Combined Sewers	75 - 100 years
Buildings	50 - 75 years
Vehicles and Equipment	2 - 25 years
Water Distribution System	75 years
Storm Sewers (Relief)	75 - 100 years
Sanitary Sewers	100 years
Curbs and Gutters	60 years
Streets	60 years
Other Infrastructure	15 - 100 years



## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 1. Summary of Significant Accounting Policies (Cont.)

#### L. Compensated Absences

Vested or accumulated vacation leave is accrued when incurred in the government-wide and proprietary fund financial statements, as the Village expects employees to use their vacation within one fiscal year; however, they may carry over ten days. Vested or accumulated vacation leave of proprietary funds and government-wide statements is recorded as an expense and liability of those funds as the benefits accrue to employees. Vacation leave is only recorded in the governmental fund financial statements when an employee leaves before year end and has not been paid out. No liability is recorded for nonvesting, accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as “terminal leave” prior to retirement.

#### M. Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

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

#### N. Deferred Outflows/Inflows of Resources

The Village reports deferred outflows of resources on its Statement of Net Position. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village has an item that qualifies for reporting in this category, the deferred outflows related to pensions, which represents pension items that will be recognized as pension expense in future periods.

The Village reports deferred inflows of resources on its Statement of Net Position. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has three items that qualify for reporting in this category, deferred inflows related to property taxes levied in 2015 but will be collected in future period, intergovernmental revenue that is not available in the fund financial statements and deferred inflows related to pensions which represents pension items that will be recognized as reductions in pension expense in future periods.

#### O. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Village’s Police, Firefighters’, IMRF and SLEP pension plans and additions to/deductions from plans fiduciary net position have been determined on the same basis as they are reported by plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 1. Summary of Significant Accounting Policies (Cont.)

#### P. Fund Equity

##### Net Position/Fund Balances

There are five classifications of fund balances of governmental funds:

- (1) Nonspendable – amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- (2) Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government) through constitutional provisions or by enabling legislation.
- (3) Committed – amounts constrained to specific purpose by a government itself, using its highest level of decision-making authority. The Village Board is the highest level of decision-making authority for the Village that can, by adoption of ordinance prior to the end of the year, commit fund balance. Once adopted, the limitation remains in place until a similar action is taken (adoption of another ordinance) to remove or revise the limitation.
- (4) Assigned – amounts the Village intends to use for specific purposes as determined by the Village Board. It is assumed that creation of a fund automatically assigns fund balance.
- (5) Unassigned – amounts that are available for any purpose. These amounts are only reported in the General Fund.

Net position/fund balance is displayed in the order of the relative strength of the spending constraints placed on the purposes for which resources can be used.

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 and the unassigned funds.

Per the Village's financial policy, the General Fund is to maintain a minimum unassigned fund balance, plus the amount restricted for working cash, of 25% of the total budgeted annual expenditures in the most recently approved annual budget. The Village Board shall determine the disposition of fund balance in excess of this amount.

#### Q. Interfund Transactions

Interfund services provided and used 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. Advances to other funds in lender funds and advances from other funds in borrower funds represent long-term borrowings.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 1. Summary of Significant Accounting Policies (Cont.)

#### R. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### S. Implementation of New Accounting Standards

In 2016, the Village adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment to GASB Statement No. 68*, which have as their objectives, improving the usefulness of pension information included in the general purpose external financial reports of state and local governmental pension plans for making decisions and assessing accountability. Adoption of GASB Statement No. 68 resulted in a restatement of beginning net position at May 1, 2015, and is described in Note 16. In addition, the Statement changed the requirements for information disclosed in the notes to the financial statements and information required to be presented as required supplementary information.

### 2. Fund Equity

There were no funds that had a deficit in fund balance as of April 30, 2016.

### 3. Deposits and Investments

The Village's investment policy is to establish cash management and investment guidelines for the Village officials responsible for the stewardship of public funds. The Village has established specific objectives to meet these guidelines. The Village's investment policy is more restrictive than Illinois State Statutes. The Village is authorized to make deposits in any credit union or bank, as defined by the Illinois Banking Act, and make investments in obligations guaranteed by the full faith and credit of the United States of America, similar obligations of agencies of the United States of America, certain money market mutual funds, the Illinois Metropolitan Investment Fund and The Illinois Funds.

None of the Village's deposits (carrying value of \$3,481,427 excluding \$1,900 of petty cash) with financial institutions were exposed to custodial credit risk, as those deposits were insured, or fully collateralized by investments held by an independent third party in the Village's name.

The Illinois Funds Money Market Fund is an external investment pool developed and implemented in 1975 by the Illinois General Assembly under the jurisdiction of the Treasurer, who has regulatory oversight for the pool. The Fund is not registered with the SEC and has an affirmed AAAM Standard & Poor's credit quality rating. The fair value of the positions of this pool is the same as the value of the pool shares. The yield on the Illinois Funds Money Market Fund was .303% at April 30, 2016. The Fund issues a publicly available financial report. That report may be obtained by writing to the Office of the State Treasurer, Illinois Funds Administrative Office, 300 W. Jefferson Street, Springfield, Illinois 62702.

The Illinois Metropolitan Investment Fund (IMET) is not registered with the SEC. The IMET Board provides oversight for IMET. The Board is responsible for policy formulation, as well as policy and administrative oversight. The fair value of the position in the pool is the same as the value of the pool shares. IMET offers two separate investment vehicles to public entities. The Village's investments are in the IMET Convenience Fund. The yield on the Fund was 0.56% at April 30, 2016.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

### 3. Deposits and Investments (Cont.)

In October 2014, the Illinois Metropolitan Investment Fund (IMET) notified all participants that over \$50 million in loans, which were being held in the Convenience Fund's approximately \$1.8 billion assets, were fraudulent and in default. The forged guarantees on these loans were denied by the USDA. The Village portion of the IMET Convenience Fund that has been impaired is \$138,213. Recovery efforts are ongoing. IMET issues a publicly available financial report. That report may be obtained by writing to IMET, 1220 Oak Brook Road, Oak Brook, Illinois 60523.

As of April 30, 2016, the Village has the following investments and maturities.

Investment Type	Fair Value	Investment Maturities		
		Less Than One Year	1 to 5 Years	More Than 5 Years
IMET	\$ 2,822,754	2,822,754		
Certificates of Deposit	6,753,357	1,983,793	4,769,564	
Municipal Bonds	100,150		100,150	
Federal Farm Credit Bonds	712,795		712,795	
Federal Home Loan Mortgage Corporation	26,565			26,565
Government National Mortgage Association	26,570			26,570
	<u>\$ 10,442,191</u>	<u>4,806,547</u>	<u>5,582,509</u>	<u>53,135</u>
	<u>Fair Value</u>			
*Illinois Funds	<u>\$ 1,479,222</u>			

\*Not subject to interest rate risk categorization.

#### *Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect fair values of an investment. In accordance with its investment policy, the Village's investment portfolio shall remain sufficiently liquid to enable the Village to meet all operating requirements that may be reasonably anticipated in any Village fund. Maturities of investments of all funds, except the Capital Projects Funds and Working Cash Funds, shall not exceed five years. Maturities of investments of Capital Projects Funds and Working Cash Funds may exceed five years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

#### *Credit Risk*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. As of April 30, 2016, the Illinois Funds Money Market was rated AAAM by Standard & Poor's.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

3. Deposits and Investments (Cont.)

*Custodial Credit Risk*

In the case of deposits, this is the risk that, in the event of a bank failure, the Village's deposits may not be returned. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. As of April 30, 2016, the Village's deposits with financial institutions were not exposed to custodial credit risk because they were insured and collateralized.

*Concentration of Credit Risk*

It is the policy of the Village to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in overconcentration in a security, maturity, issuer or class of securities. The Village accomplishes this through avoiding overconcentration in a specific issuer, business sector or fund, investing in securities with varying maturities and continuously investing a portion of the portfolio in readily available funds to ensure the appropriate liquidity is maintained.

4. Receivables

Property taxes for 2015 attach as an enforceable lien on January 1, 2015. Taxes are levied by December 2015, by passage of a Tax Levy Ordinance for collection in the subsequent calendar year. Tax bills are payable in two installments on or about March 1 and August 1, 2016. The County collects such taxes and remits them periodically. The Village deferred recognition of the second installment of the 2015 property tax levy due to the second installment being intended to fund the next fiscal year's operations.

At April 30, 2016, taxes and intergovernmental receivables consisted of the following:

	<u>Governmental Funds</u>	
	<u>General Fund</u>	<u>Nonmajor Funds</u>
Receivables		
Property Taxes	\$ 3,078,909	121,820
Other Taxes		
Utility Tax	41,601	
Places of Eating Tax	15,761	
Intergovernmental		
Sales Tax	643,839	
Telecom	79,620	
Use Tax	61,765	
Income	177,986	
Replacement	25,064	
Motor Fuel Tax		25,425
Accounts, Net	12,237	477,468
	<u>\$ 4,136,782</u>	<u>624,713</u>

All of the receivables on the balance sheet are expected to be collected within one year.

**VILLAGE OF RIVER FOREST, ILLINOIS**Notes to Financial Statements  
April 30, 2016

## 5. Capital Assets

## A. Governmental Activities

A summary of changes in capital assets for governmental activities of the Village is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Capital Assets Not Being Depreciated</b>				
Land	\$ 1,139,497			1,139,497
Right of Ways	3,826,453			3,826,453
Construction in Progress	310,962		310,962	
	<u>5,276,912</u>	<u>-</u>	<u>310,962</u>	<u>4,965,950</u>
<b>Capital Assets Being Depreciated</b>				
Buildings	4,833,404			4,833,404
Vehicles and Equipment	4,091,667	287,690	210,918	4,168,439
Infrastructure	12,104,836	532,604	12,369	12,625,071
	<u>21,029,907</u>	<u>820,294</u>	<u>223,287</u>	<u>21,626,914</u>
<b>Less Accumulated Depreciation For</b>				
Buildings	1,592,980	100,320		1,693,300
Vehicles and Equipment	2,055,291	293,878	151,089	2,198,080
Infrastructure	4,948,291	216,517	12,369	5,152,439
	<u>8,596,562</u>	<u>610,715</u>	<u>163,458</u>	<u>9,043,819</u>
<b>Total Capital Assets Being Depreciated, Net</b>	<u>12,433,345</u>	<u>209,579</u>	<u>59,829</u>	<u>12,583,095</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 17,710,257</u>	<u>209,579</u>	<u>370,791</u>	<u>17,549,045</u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

5. Capital Assets (Cont.)

B. Business-Type Activities

A summary of changes in capital assets for business-type activities of the Village is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Capital Assets Not Being Depreciated</b>				
Land	\$ 500			500
Construction in Progress	2,352,892		2,352,892	
	<u>2,353,392</u>	-	<u>2,352,892</u>	<u>500</u>
<b>Capital Assets Being Depreciated</b>				
Buildings	921,217			921,217
Vehicles and Equipment	895,296	98,173	49,250	944,219
Water Distribution System	3,223,416	2,370,293	21,732	5,571,977
Sewer System	3,129,868	13,867,254	13,290	16,983,832
Curbs and Gutters	2,641,730			2,641,730
	<u>10,811,527</u>	<u>16,335,720</u>	<u>84,272</u>	<u>27,062,975</u>
<b>Less Accumulated Depreciation For</b>				
Buildings	699,524	10,633		710,157
Vehicles and Equipment	525,834	52,934	32,833	545,935
Water Distribution System	1,101,028	36,176	21,732	1,115,472
Sewer System	1,494,667	26,346	13,290	1,507,723
Curbs and Gutters	1,036,054	43,966		1,080,020
	<u>4,857,107</u>	<u>170,055</u>	<u>67,855</u>	<u>4,959,307</u>
<b>Total Capital Assets Being Depreciated, Net</b>	<u>5,954,420</u>	<u>16,165,665</u>	<u>16,417</u>	<u>22,103,668</u>
<b>Business-type Activities, Capital Assets, Net</b>	<u>\$ 8,307,812</u>	<u>16,165,665</u>	<u>2,369,309</u>	<u>22,104,168</u>

C. Depreciation Expense

Depreciation expense was charged to functions/programs as follows:

	Governmental Activities	Business-Type Activities
General Government	\$ 114,114	
Public Safety	211,384	
Highways and Streets	285,217	
Waterworks and Sewerage		170,055
	<u>\$ 610,715</u>	<u>170,055</u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

5. Capital Assets (Cont.)

D. Commitments

The Village has certain contracts for construction projects which were in progress as of April 30, 2016. The remaining commitments are as follows:

Division Street Resurfacing Project	\$ 94,458
Sewer Lining Project	187,307
Curb and Sidewalk Replacement	56,046
Street Patching Program	54,175
Street Improvement Program	159,000
Lake and Harlem Economic Development	2,015,731
Thatcher Watermain Lining Project	461,715
Water and Sewer Rate Study	1,944

The Village has also entered into an agreement with the managing company of the River Forest Town Center to provide economic incentives for filling vacant retail space within the Town Center. The Village reported total expenditures of \$93,496 related to this agreement during fiscal year 2016 and \$219,869 since the inception of the agreement. The agreement has a maximum amount of \$335,600. As of April 30, 2016, \$115,731 was the maximum amount remaining.

6. Long-Term Debt

A. Changes in Long-Term Obligations

The following is a summary of the Village's long-term debt balances and transactions for the year ended April 30, 2016.

	Maturity Date	Balance May 1 (Restated)	Additions	Reductions	Balance April 30	Due Within One Year
<i>Governmental Activities</i>						
General Obligation Bonds						
Series 2005 (Library)						
3.50% - 4.15%	12/01/17	\$ 145,000		45,000	100,000	50,000
Series 2008A						
2.0% - 3.6%	12/01/15	160,000		160,000		
Series 2016						
1.25%	12/01/17		382,300		382,300	189,480
		305,000	382,300	205,000	482,300	239,480
Compensated Absences		677,538	549,769	677,539	549,768	109,954
Net Pension Liabilities		30,962,465	12,173,709	4,307,164	38,829,010	
Other Post-Employment Benefits		1,335,362	206,658		1,542,020	
		<u>\$ 33,280,365</u>	<u>13,312,436</u>	<u>5,189,703</u>	<u>41,403,098</u>	<u>349,434</u>



**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

6. Long-Term Debt (Cont.)

A. Changes in Long-Term Obligations (Cont.)

	Maturity Date	Balance May 1 (Restated)	Additions	Reductions	Balance April 30	Due Within One Year
<i>Business-type Activities</i>						
General Obligation Bonds						
Series 2008B						
2.75% - 4.10%	12/01/18	\$ 650,000		155,000	495,000	160,000
IEPA Loan*						
2.21%	5/06/36	763,616	13,935,804		14,699,420	516,803
Loans Payable						
2.20%	11/15/24	586,882		436,521	150,361	51,846
Compensated Absences		27,459	33,531	27,459	33,531	6,706
Net Pension Liability		224,849	198,845	38,448	385,246	
Other Post-Employment Benefits		33,313	5,825		39,138	
		<u>\$ 2,286,119</u>	<u>14,174,005</u>	<u>657,428</u>	<u>15,802,696</u>	<u>735,355</u>

\*The original total eligible IEPA Loan was \$14,101,734 based on estimated construction costs. Actual costs have exceeded the original estimate. IEPA will disburse the loan proceeds as the Village incurs expenses on the sewer project. The amount presented as a payable is the amount that has been incurred as costs by the Village at April 30, 2016, and requested for loan disbursements from IEPA. The future debt service schedule shown in Note 6.C has been calculated based on the preliminary repayment schedule issued by the IEPA and will be adjusted for final disbursements reimbursed but not yet reflected on the repayment schedule. The Village has recorded a corresponding receivable at April 30, 2016, for \$533,810, the amount of costs incurred but not yet disbursed by IEPA, which included \$63,816 of capitalized interest.

Compensated absences, net pension liabilities and other post-employment benefits are paid from the General Fund and charged to General Government, Public Safety, Public Works and from the Waterworks and Sewerage Fund.

B. General Obligation Debt

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 and business-type activities.

The Series 2005 general obligation bonds are recorded as debt of the Village, as the Village is the party responsible for payments. The proceeds of these bonds have been recorded by the Public Library as the proceeds have been spent to improve the Public Library.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

6. Long-Term Debt (Cont.)

C. Debt Service Requirements to Maturity

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

Year Ending April 30	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 239,480	7,827	160,000	19,650	399,480	27,477
2018	242,820	4,484	165,000	13,570	407,820	18,054
2019			170,000	6,970	170,000	6,970
	<u>\$ 482,300</u>	<u>12,311</u>	<u>495,000</u>	<u>40,190</u>	<u>977,300</u>	<u>52,501</u>

Annual debt service requirements to maturity for loans payable are as follows:

Year Ending April 30	Business-type Activities	
	Principal	Interest
2017	\$ 568,649	283,737
2018	581,222	271,164
2019	585,607	258,234
2020	552,027	242,183
2021	564,295	233,401
2022-2026	3,015,238	973,242
2027-2031	3,365,487	622,993
2032-2036	3,756,421	232,059
	<u>\$ 12,988,946</u>	<u>3,117,013</u>

D. Legal Debt Margin

Assessed Valuation – 2015	<u>\$ 470,348,398</u>
Legal Debt Limit – 8.625% of Assessed Valuation	\$ 40,567,549
Amount of Debt Applicable to Debt Limit	<u>482,300</u>
Legal Debt Margin	<u>\$ 40,085,249</u>

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

7. Conduit Debt

The Village issued \$17,000,000 of Industrial Project Revenue Bonds for Dominican University during the year ended April 30, 2010. The Village has no obligation to pay this debt. The 2009 Project Revenue Bonds for Dominican University had an outstanding balance of \$11,903,493 at April 30, 2016.

8. Interfund Transactions

A. Due from/to Other Funds

Receivable Fund	Payable Fund	Amount
Police Pension	General	\$ 8,727
Firefighters' Pension	General	<u>5,662</u>
Total		<u>\$ 14,389</u>

The due to/from between the Police and Firefighters' Pension Funds and the General Fund is due to April 30<sup>th</sup> employer contributions due and increases in the employer contribution to offset the PTELL reduction on the property tax levy.

B. Advances from/to Other Funds

Receivable Fund	Payable Fund	Amount
Enterprise Waterworks and Sewerage Fund	Capital Projects Capital Equipment Replacement Fund	<u>\$ 188,853</u>
Total Internal Balances - Government-wide Statement of Net Position		<u>\$ 188,853</u>

The advance from/to between the Waterworks and Sewerage Fund and the Capital Equipment Replacement Fund represents fiscal year contributions for future vehicle and equipment purchases that are funded via the Capital Equipment Replacement Fund.

C. Transfers

Receiving Fund	Transferring Fund	Amount
Capital Projects Capital Equipment Replacement Fund	General	\$ 461,547
Waterworks and Sewerage Fund	General	<u>382,300</u>
		<u>\$ 843,847</u>

The General Fund transferred \$461,547 to the Capital Equipment Replacement Fund related to contribution for future capital outlay expenditures and \$382,300 to the Waterworks and Sewerage Fund to be used to pay down the balance of the Community Bank Loan.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 9. Risk Management

#### A. Intergovernmental Risk Management Agency (IRMA)

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperation Act to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverage; property/casualty and workers compensation claim administration/litigation management services; unemployment claim administration; extensive 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 the Agency 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 by-laws 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.

Limits of coverage effective as of April 30, 2016, are as follows:

Automobile Liability	\$ 10,000,000
General Liability	10,000,000
Public Officials Liability	10,000,000
Workers' Compensation	Blanket Statutory Limits
First Party Property	250,000,000 Per Occurrence
Boiler/Machinery	50,000,000
Fidelity and Crime	
a. Employee Theft	5,000,000
b. Forgery or Alteration	5,000,000
c. Computer Fraud	5,000,000
d. Credit Card Forgery	5,000,000
e. Non-Faithful Performance	2,500,000
Public Official Bond	Blanket Statutory Limits

#### B. Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical, dental and death benefits for employees and retirees are provided through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each participating member. IPBC maintains specific reinsurance coverage for claims in excess of \$125,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into the subsequent years' experience factor for premiums. For insured programs, there have been no significant reductions in insurance coverage.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 10. 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 management, 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 grantors are subject to audit and adjustment by the grantors. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Village expects such amounts, if any, to be immaterial.

### 11. Other Post-Employment Benefits

In addition to providing the pension benefits described in Note 13, the Village provides post-employment health care benefits (OPEB) for retired employees through a single-employer defined benefit 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 does not issue a separate report. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established. The cost of the plan is reported in the fund from which the benefits are paid.

#### *Benefits Provided*

The Village provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans.

All health care benefits are provided through the Village's health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; dental care and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

#### *Membership*

At April 30, 2016, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to But Not Yet Receiving Them	36
Current Employees	<u>70</u>
Total	<u><u>106</u></u>
Participating Employers	<u><u>1</u></u>

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

### 11. Other Post-Employment Benefits (Cont.)

#### *Funding Policy*

The Village negotiates the contribution percentage between the Village and employees through the union contracts and personnel policy. Most retirees contribute 66.6% of the actuarially determined premium to the plan, and the Village contributes the remainder to cover the cost of providing the benefits to the retirees. Effective May 12, 2012, non-union and public works union employees hired prior to January 1, 2005, who retire after being employed by the Village for 20 consecutive years immediately prior to retirement and over age 55, are entitled to \$200 per month towards the cost of the retiree health insurance benefit. No Village contribution is made once the retiree is eligible for Medicare. Non-union and public works union employees hired after January 1, 2005, are responsible for 100% of the cost of the benefits. Effective May 1, 2013, the majority of Police and Firefighters' union employees are no longer eligible for the one-third Village subsidy. Only Police employees hired before May 1, 1998, are entitled to the one-third subsidy. For the fiscal year ended April 30, 2016, retirees contributed \$247,388 and the Village contributed \$199,263. Active employees do not contribute to the plan until retirement.

#### *Annual OPEB Costs and Net OPEB Obligation*

The Village had an actuarial valuation performed for the plan as of April 30, 2016, to determine the funded status of the plan as of that date, as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2016. The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation was as follows:

Fiscal Year End	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributions	Net OPEB Obligation
April 30, 2016	\$ 411,746	199,263	48.4%	1,581,158
April 30, 2015	415,348	184,504	44.4%	1,368,675
April 30, 2014	409,166	169,270	41.4%	1,137,831

The net OPEB obligation (NOPEBO) at April 30, 2016, was calculated as follows:

Annual Required Contribution	\$ 433,104
Interest on Net OPEB Obligation	54,747
Adjustment to Annual Required Contribution	<u>(76,105)</u>
Annual OPEB Cost	411,746
Contributions Made	<u>199,263</u>
Increase in Net OPEB Obligation	212,483
Net OPEB Obligation, Beginning of Year	<u>1,368,675</u>
Net OPEB Obligation, End of Year	<u><u>\$ 1,581,158</u></u>
Net OPEB Obligation Attributable to Governmental Activities	\$ 1,542,020
Business-type Activities	<u>39,138</u>
	<u><u>\$ 1,581,158</u></u>

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 11. Other Post-Employment Benefits (Cont.)

#### *Annual OPEB Costs and Net OPEB Obligation (Cont.)*

##### Funded Status and Funding Progress

The funded status of the plan as of April 30, 2016, was as follows:

Actuarial Accrued Liability (AAL)	\$ 5,723,778
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	5,723,778
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.0%
Covered Payroll (Active Plan Members)	6,250,503
UAAL as a Percentage of Covered Payroll	91.6%

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 ARCs of the employer are subject to continual revision as actuarial 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 the Financial Statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

##### Actuarial Methods and Assumptions

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

In the April 30, 2016 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included 4.0% investment rate of return (net of administrative expenses) and an initial annual healthcare cost trend rate of 9.00% reduced to an ultimate rate of 5.0% after five years. Both rates include a 2.5% inflation assumption. The actuarial value of assets was \$0. The plan's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis over 30 years.

### 12. Deferred Compensation Plan

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency occurs.

The assets of the plan are held in trust, with the Village as trustee, for the exclusive benefit of the plan participants and their beneficiaries. The assets cannot be diverted for any other purpose. The Village's beneficial ownership of plan assets held in the trust is held for the future exclusive benefit of the participants and their beneficiaries.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

### 13. Defined Benefit Pension Plans

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer defined benefit pension plan; the Police Pension Plan, which is a single-employer defined benefit pension plan; and the Firefighters' Pension Plan, which is a single-employer defined benefit pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police and Firefighters' Pension Plans do not issue separate reports on the pension plans. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

The aggregate totals for all pension items for three plans are as follows:

	Governmental Activities	Business-type Activities*	Total Village
<b>Net Pension Liability</b>			
IMRF - Regular	\$ 1,219,143	385,246	1,604,389
IMRF - SLEP	13,900		13,900
Police	22,522,251		22,522,251
Firefighters	15,073,716		15,073,716
	<u>\$ 38,829,010</u>	<u>385,246</u>	<u>39,214,256</u>
<b>Deferred Outflows of Resources</b>			
IMRF	\$ 595,291	195,516	790,807
IMRF - SLEP	9,428		9,428
Police	2,986,388		2,986,388
Firefighters	3,113,268		3,113,268
	<u>\$ 6,704,375</u>	<u>195,516</u>	<u>6,899,891</u>
<b>Deferred Inflows of Resources</b>			
Police	\$ 51,626		51,626
Firefighters	541,666		541,666
	<u>\$ 593,292</u>	<u>-</u>	<u>593,292</u>
<b>Pension Expense</b>			
IMRF	\$ 133,929	67,243	201,172
IMRF - SLEP	(4,332)		(4,332)
Police	2,267,841		2,267,841
Firefighters	1,666,058		1,666,058
	<u>\$ 4,063,496</u>	<u>67,243</u>	<u>4,130,739</u>

\*Same amounts are also reported in the proprietary fund statements.



## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 13. Defined Benefit Pension Plans (Cont.)

#### A. Illinois Municipal Retirement Fund

##### *Plan Description*

The Village defined benefit pension plan for regular employees (other than those covered by the Police or Firefighters' Pension Plans), provides retirement, disability, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Village maintains accounts for regular employees and for Sheriff's Law Enforcement Personnel (SLEP) which provides benefits solely to a former police chief. A summary of IMRF's pension benefits is provided in the "Benefits Provided" described below. Details of all benefits are available from IMRF. The Illinois Pension Code establishes the benefit provisions of the plan which can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained at [www.imrf.org](http://www.imrf.org) or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees of the Village of River Forest Public Library (Library), an unrelated entity, also participate in the Village's IMRF plan. The Village has treated the Library as if it was a component unit for purposes of applying GASB 68. Accordingly, pension items have been allocated to the Library on the basis of employer contributions to total employer contributions for the fiscal year. The Village's portion was 86%.

##### *Benefits Provided*

Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least 8 years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of: 3% of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount.

The Sheriff's Law Enforcement Personnel Fund (SLEP) members, having accumulated at least 30 years of SLEP service and terminating IMRF participation on or after July 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50% of their final rate of earnings, for each year of credited service up to 20 years, 2.00% of their final earnings rate for the next 10 years of credited service and 1.00% for each year thereafter. For those SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by State statutes. SLEP members are required to contribute 7.50% of their annual salary to SLEP.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

13. Defined Benefit Pension Plans (Cont.)

A. Illinois Municipal Retirement Fund (Cont.)

*Employees Covered by Benefit Terms*

As of December 31, 2015, the measurement date for the net pension liability, the following employees were covered by the benefit terms:

	Regular	SLEP
Retirees and Beneficiaries Currently Receiving Benefits	49	1
Terminated Employees Entitled to But Not Yet Receiving Benefits	54	1
Current Employees	39	0
	142	2

*Contributions*

As set by statute, employees participating in the IMRF plan are required to contribute 4.50% of their annual covered salary. The member rate is also established by State statute. The Village is required to contribute at an actuarially determined rate. The employer annual required contribution rate for calendar year 2015 was 12.39%. For the year ended April 30, 2016, the Village contributed \$246,209 to the plan. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. For the SLEP Plan, members are required to contribute 7.50% of their annual covered salary. The employer rate for calendar year 2015 was 13.69%. For the year end April 30, 2016, the Village contributed \$3,092 to the SLEP Plan.

*Investments*

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 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 to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38%	7.39%
International Equity	17%	7.59%
Fixed Income	27%	3.00%
Alternative Investments	8%	2.75% - 8.15%
Real Estate	9%	6.00%
Short-term	1%	2.25%
	100%	

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 13. Defined Benefit Pension Plans (Cont.)

#### A. Illinois Municipal Retirement Fund (Cont.)

##### *Actuarial Assumptions*

The following are the methods and assumptions used to determine the net pension liability as of April 30, 2016:

Actuarial Valuation Date	December 31, 2015
Measurement Date	December 31, 2015
Actuarial Cost Method	Entry-age Normal
Assumptions	
Inflation	2.75%
Salary Increases	3.75% - 14.50%, Including Inflation
Investment Rate of Return	7.50%
Cost of Living Adjustments	2.75%
Asset Valuation Method	Market Value of Assets

Retirement age is based on Experienced-Based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.

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

##### *Discount Rate*

A single discount rate (SDR) of 7.48% for the Regular Plan and 7.50% for the SLEP Fund was used to measure the total pension liability. The projection of cash flow used to determine the SDR assumed that the plan members' contributions will be made at the current contribution rate, and that 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 Regular Plan's fiduciary net position was projected to be depleted in 2088 and the SLEP plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and (2) the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

13. Defined Benefit Pension Plans (Cont.)

A. Illinois Municipal Retirement Fund (Cont.)

*Discount Rate (Cont.)*

Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). For the purpose of the recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57% and the resulting SDR is 7.48% for the Regular Plan and 7.50% for the SLEP Fund.

*Changes in Net Pension Liability – Regular Plan*

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, Beginning of Year	\$ 11,272,918	10,330,601	942,317
Changes for the Year			
Service Cost	223,198		223,198
Interest	835,431		835,431
Differences Between Expected and Actual Experience	165,693		165,693
Changes in Assumptions	15,170		15,170
Contributions - Employer		259,789	(259,789)
Contributions - Employee		130,951	(130,951)
Net Investment Income		217,394	(217,394)
Benefit Payments, Including Refunds of Employees' Contributions	(638,700)	(638,700)	
Administrative Expenses			
Other (Net Transfer)		(30,714)	30,714
Net Changes	600,792	(61,280)	662,072
Balance, End of Year	\$ 11,873,710	10,269,321	1,604,389

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

13. Defined Benefit Pension Plans (Cont.)

A. Illinois Municipal Retirement Fund (Cont.)

*Changes in Net Pension Liability – SLEP*

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, Beginning of Year	\$ 181,833	169,812	12,021
Changes for the Year			
Service Cost			
Interest	13,235		13,235
Differences Between Expected and Actual Experience	(3,015)		(3,015)
Changes in Assumptions			
Contributions - Employer		3,217	(3,217)
Contributions - Employee			
Net Investment Income		830	(830)
Benefit Payments, Including Refunds of Employees' Contributions	(10,734)	(10,734)	
Administrative Expenses			
Other (Net Transfer)		4,294	(4,294)
Net Changes	(514)	(2,393)	1,879
Balance, End of Year	\$ 181,319	167,419	13,900

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below represents the pension liability of the Village's Regular Plan and SLEP Fund calculated using the discount rate of 7.48% and 7.50%, respectively, as well as what the Village's net pension liability would be if it were calculated using discount rates that are one percentage point lower (6.48% and 6.50%) or one percentage point higher (8.48% and 8.50%) than the current rate:

	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
Regular Plan			
Net Pension Liability	\$ 3,172,415	1,604,389	180,325
SLEP			
Net Pension Liability/(Asset)	\$ 34,121	13,900	(3,142)

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

13. Defined Benefit Pension Plans (Cont.)

A. Illinois Municipal Retirement Fund (Cont.)

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

For the year ended April 30, 2016, the Village recognized pension expense of \$201,172 and \$(4,332) for the Regular Plan and SLEP, respectively. At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows Related to Pensions	Regular Plan	SLEP
Differences Between Expected and Actual Experience	\$ 113,752	
Changes in Assumptions	10,416	
Net Differences Between Projected and Actual Earnings on Plan Investments	<u>582,572</u>	9,428
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	706,740	9,428
Pension Contributions Made Subsequent to the Measurement Date	<u>84,067</u>	
	<u>\$ 790,807</u>	<u>9,428</u>

At April 30, 2016, the Village reported \$84,067 of deferred outflows of resources related to pensions resulting from Village contributions made subsequent to the measurement date that will be recognized as a reduction of net pension liability in the year ended April 30, 2017. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending April 30, 2016	Amount
2017	\$ 211,648
2018	211,648
2019	151,291
2020	141,581
2021	<u>716,168</u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

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13. Defined Benefit Pension Plans (Cont.)

B. Police Pension

*Plan Description and Provisions*

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

*Benefits Provided*

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

The monthly pension of a covered employee who retired with 20 or more years of service after January 1, 1997, shall be increased annually by 3% of the originally granted pension, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years. For all increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as 3% of the amount of the pension payable at the time of the increase.

*Employees Covered by Benefit Terms*

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

Inactive Plan Members Currently Receiving Benefits	35
Inactive Plan Members Entitled But Not Yet Receiving Benefits	2
Active Plan Members	<u>29</u>
Total	<u><u>66</u></u>

*Contributions*

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Plan as actuarially determined by an enrolled actuary. Effective January 1, 2012, the Village's contributions must accumulate to the point where 90% of the past service cost for the Police Pension Plan is funded by the year 2040. Administrative expenses are generally paid from plan assets. For the year ended April 30, 2016, the Village contributed \$1,130,516 to the Police Pension Plan.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 13. Defined Benefit Pension Plans (Cont.)

#### B. Police Pension (Cont.)

##### *Investment Policy*

The deposits and investments of the Police Pension Fund are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America: obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America: bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government: State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (formerly known as IPTIP, Illinois Public Treasurers Investment Pool), or by banks, their subsidiaries or holding companies. In accordance with the laws of the State of Illinois, bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to 45% of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to 45% of the plan net position in common and preferred stocks that meet specific restrictions. In addition, pension funds with plan net position of at least \$10 million that have appointed an investment advisor may invest up to 55% of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2012.

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Fixed Income	35.00%	2.50%
Domestic Equity	40.00%	7.50%
International Equity	20.00%	8.50%
Real Estate	5.00%	4.50%
	<u>100.00%</u>	

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in July 2016 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were



**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

13. Defined Benefit Pension Plans (Cont.)

B. Police Pension (Cont.)

*Investment Policy (Cont.)*

developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or geometric rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2016, are listed in the table above.

*Investment Rate of Return*

For the year ended April 30, 2016, the annual money-weighted rate of return on the Police Pension Plan investments, net of pension plan investment expense, was (0.40%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Deposits with Financial Institutions*

At year end, the carrying amount of the Police Pension Fund's deposits totaled \$909,552 and the bank balance totaled \$917,052.

*Interest Rate Risk*

As of April 30, 2016, the Police Pension Fund has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities		
		Less Than One Year	1 to 5 Years	More Than 5 Years
Corporate Bonds	\$ 1,831,374	328,068	974,485	528,821
Municipal Bond	104,217	25,061	79,156	
Federal Farm Credit Bank	100,717	100,717		
Federal Home Loan Mortgage Corporation	292,371		200,676	91,695
Federal National Mortgage Association	301,986		202,020	99,966
Government National Mortgage Association	186,075			186,075
U.S. Treasuries	3,603,843	618,204	1,990,694	994,945
	<u>\$ 6,420,583</u>	<u>1,072,050</u>	<u>3,447,031</u>	<u>1,901,502</u>
	<u>Fair Value</u>			
*Illinois Funds	\$ 154,942			
*Mutual Funds	11,753,047			
*Insurance Contracts/Annuities	<u>1,368,324</u>			
	<u>\$ 13,276,313</u>			

\*Not subject to interest rate risk categorization.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 13. Defined Benefit Pension Plans (Cont.)

#### B. Police Pension (Cont.)

##### *Interest Rate Risk (Cont.)*

The Pension Fund assumes any callable securities will not be called.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. While not required by the Pension Fund's investment policy, the Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

##### *Credit Risk*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. As of April 30, 2016, the Illinois Funds Money Market was rated AAAM by Standard & Poor's.

The Police Pension Plan limits their exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The investments in the securities of U.S. government and agency obligations were rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service as of April 30, 2016. The Plan's investment policy follows the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

##### *Custodial Credit Risk – Deposits*

In the case of deposits, this is the risk that in the event of a bank failure, the Pension Fund's deposits may not be returned to it. At April 30, 2016, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Fund's investment policy requires that all deposits in excess of FDIC insurable limits be secured by collateral in order to protect deposits from default.

##### *Custodial Credit Risk – Investments*

For an investment, this is the risk that, in the event of the failure of the counterparty, the Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. In accordance with the Pension Fund's investment policy, the Plan limits its exposure to custodial credit risk by utilizing an independent third party institution to act as custodian for its securities and collateral.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 13. Defined Benefit Pension Plans (Cont.)

#### B. Police Pension (Cont.)

##### *Concentration of Credit Risk*

It is the policy of the Village to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in overconcentration in a security, maturity, issuer or class of securities. The Village accomplishes this through avoiding overconcentration in a specific issuer, business sector or fund, investing in securities with varying maturities and continuously investing a portion of the portfolio in readily available funds to ensure the appropriate liquidity is maintained. At April 30, 2016, the Police Pension Fund's investments (other than those issued or guaranteed by the U.S. Government) include a Vanguard Annuity of \$1,368,324, Vanguard Mid-Cap Index Fund of \$1,806,106, Vanguard Small Cap Fund of \$1,206,968 and Vanguard Developed Markets Fund of \$1,752,4836, each of which represents 5% or more of plan net assets.

##### *Actuarial Assumptions*

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

Actuarial Valuation Date	April 30, 2016
Measurement Date	April 30, 2016
Actuarial Cost Method	Entry-age Normal
Assumptions	
Inflation	2.50%
Salary Increases	3.50% - 12.50%, Including Inflation
Investment Rate of Return	6.75%
Cost of Living Adjustments	2.50%
Asset Valuation Method	Market Value of Assets

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

##### *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 Police Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

13. Defined Benefit Pension Plans (Cont.)

B. Police Pension (Cont.)

*Changes in Net Pension Liability*

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, Beginning of Year	\$ 40,021,720	21,571,558	18,450,162
Changes for the Year			
Service Cost	611,167		611,167
Interest	2,631,940		2,631,940
Differences Between Expected and Actual Experience	(61,973)		(61,973)
Changes in Assumptions	2,040,961		2,040,961
Contributions - Employer		1,130,516	(1,130,516)
Contributions - Employee		258,151	(258,151)
Net Investment Income		(176,345)	176,345
Benefit Payments, Including Refunds of Employees' Contributions	(2,060,037)	(2,060,037)	
Administrative Expenses		(62,316)	62,316
Net Changes	3,162,058	(910,031)	4,072,089
Balance, End of Year	\$ 43,183,778	20,661,527	22,522,251

Changes in assumptions related to salary increases, inflation, retirement age, disability rates, termination and mortality were made since the prior measurement date.

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below represents 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 one percentage point lower (5.75%) or one 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	\$ 28,902,675	22,522,251	17,346,753

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

13. Defined Benefit Pension Plans (Cont.)

B. Police Pension (Cont.)

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

For the year ended April 30, 2016, the Village recognized pension expense of \$2,267,841. At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	2016	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience Changes in Assumptions	\$ 1,700,232	51,626
Net Differences Between Projected and Actual Earnings on Plan Investments	1,286,156	
	<u>\$ 2,986,388</u>	<u>51,626</u>

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

Year Ending April 30, 2016	Amount
2017	\$ 651,921
2018	651,921
2019	651,921
2020	651,921
2021	327,078
	<u>\$ 2,934,762</u>

C. Firefighters' Pension

*Plan Description and Provisions*

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit, single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40-Article 5/3) and may be amended only by the Illinois legislature.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 13. Defined Benefit Pension Plans (Cont.)

#### C. Firefighters' Pension (Cont.)

##### *Benefits Provided*

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of final salary for each year of service, ranging from 15% to 45.6%.

The monthly pension of a covered employee who retired with 20 or more years of service after January 1, 1997, 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 originally granted pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as 3% of the amount of the pension payable at the time of the increase.

##### *Employees Covered by Benefit Terms*

At April 30, 2016, the Firefighters' Pension Plan membership consisted of:

Inactive Plan Members Currently Receiving Benefits	23
Inactive Plan Members Entitled But Not Yet Receiving Benefits	1
Active Plan Members	<u>19</u>
Total	<u><u>43</u></u>

##### *Contributions*

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' 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 Plan as actuarially determined by an enrolled actuary. Effective January 1, 2012, the Village's contributions must accumulate to the point where 90% of the past service cost for the Firefighters' Pension Plan is funded by the year 2040. Administrative expenses are generally paid from plan assets. For the year ended April 30, 2016, the Village contributed \$946,756 to the Firefighters' Pension Plan.

##### *Investment Policy*

The deposits and investments of the Firefighters' Pension Fund are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 13. Defined Benefit Pension Plans (Cont.)

#### C. Firefighters' Pension (Cont.)

##### *Investment Policy (Cont.)*

Fund (formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies. In accordance with the laws of the State of Illinois, bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to 45% of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to 45% of the plan net position in common and preferred stocks that meet specific restrictions. In addition, pension funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to 55% of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2012.

Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold. Illinois Funds was rated AAAM by Standard & Poor's Investors Service.

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
US Large Cap	21.00%	6.80%
US Small Cap	10.00%	6.80%
International Equity	18.00%	5.90%
Fixed Income	40.00%	1.70%
Commodities	11.00%	2.40%
	100.00%	

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 13. Defined Benefit Pension Plans (Cont.)

#### C. Firefighters' Pension (Cont.)

##### *Investment Policy (Cont.)*

The long-term expected rate of return of the Firefighters' Pension Fund's investments was determined using an asset allocation study conducted by the Firefighters' Pension Fund's investment manager consultant in April 2016 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2016, are listed in the table above.

##### *Investment Rate of Return*

For the year ended April 30, 2016, the annual money-weighted rate of return on the Firefighters' Pension Fund investments, net of pension plan investment expense, was 1.42%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

##### *Deposits with Financial Institutions*

At year end, the carrying amount of the Pension Fund's deposits totaled \$582,109 and the bank balance totaled \$593,002.



**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

13. Defined Benefit Pension Plans (Cont.)

C. Firefighters' Pension (Cont.)

*Interest Rate Risk*

As of April 30, 2016, the Firefighters' Pension Fund has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities		
		Less Than One Year	1 to 5 Years	More Than 5 Years
IMET	\$ 412,286	412,286		
Corporate Bonds	1,990,673	201,677	728,350	1,060,646
Federal Home Loan Bank	104,342		104,342	
Federal Home Loan Mortgage Corporation	52,929			52,929
Federal National Mortgage Association	1,047,334		176,874	870,460
Government National Mortgage Association	42,552			42,552
U.S. Treasuries	2,354,073		1,935,418	418,655
	<u>\$ 6,004,189</u>	<u>613,963</u>	<u>2,944,984</u>	<u>2,445,242</u>
	<u>Fair Value</u>			
*Illinois Funds	\$ 46,150			
*Mutual Funds	6,055,253			
*Equities	1,421,055			
	<u>\$ 7,522,458</u>			

\*Not subject to interest rate risk categorization.

The Pension Fund assumes any callable securities will not be called.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Pension Fund's investment policy, the Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

*Credit Risk*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. As of April 30, 2016, the Illinois Funds Money Market was rated AAAM by Standard & Poor's.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 13. Defined Benefit Pension Plans (Cont.)

#### C. Firefighters' Pension (Cont.)

##### *Credit Risk (Cont.)*

The Firefighters' Pension Plan limits its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The investments in the securities of U.S. Government and agency obligations were rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service as of April 30, 2016. The Plan's investment policy follows the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

##### *Custodial Credit Risk - Deposits*

In the case of deposits, this is the risk that in the event of a bank failure, the Pension Plan's deposits may not be returned to it. At April 30, 2016, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Plan's investment policy requires that all deposits in excess of FDIC insurable limits be secured by collateral in order to protect deposits from default.

##### *Custodial Credit Risk - Investments*

For an investment, this is the risk that, in the event of the failure of the counterparty, the Pension Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. In accordance with the Pension Plan's investment policy, the Plan limits its exposure to custodial credit risk by utilizing an independent third party institution to act as custodian for its securities and collateral.

##### *Concentration of Credit Risk*

It is the policy of the Village to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in overconcentration in a security, maturity, issuer or class of securities. The Village accomplishes this through avoiding overconcentration in a specific issuer, business sector or fund, investing in securities with varying maturities and continuously investing a portion of the portfolio in readily available funds to ensure the appropriate liquidity is maintained. At April 30, 2016, the Plan's investments (other than those issued or guaranteed by the U.S. Government) include Dodge and Cox International Fund of \$1,742,316, Vanguard Diversified Growth Fund of \$1,104,633, Vanguard Health Care Fund of \$1,324,738 and QS Large Cap Growth Fund of \$779,503, each of which represents 5% or more of plan net assets.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 13. Defined Benefit Pension Plans (Cont.)

#### C. Firefighters' Pension (Cont.)

##### *Actuarial Assumptions*

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

Actuarial Valuation Date	April 30, 2016
Measurement Date	April 30, 2016
Actuarial Cost Method	Entry-age Normal
Assumptions	
Inflation	2.50%
Salary Increases	3.50% - 19.17%, Including Inflation
Investment Rate of Return	7.00%
Cost of Living Adjustments	2.50%
Asset Valuation Method	Market Value of Assets

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

##### *Discount Rate*

The discount rate used to measure the total pension liability was 7.00%. 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 Firefighters' Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

13. Defined Benefit Pension Plans (Cont.)

C. Firefighters' Pension (Cont.)

*Changes in Net Pension Liability*

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, Beginning of Year	\$ 27,071,082	15,288,268	11,782,814
Changes for the Year			
Service Cost	434,288		434,288
Interest	1,846,605		1,846,605
Differences Between Expected and Actual Experience	(645,633)		(645,633)
Changes in Assumptions	1,889,948		1,889,948
Contributions - Employer		946,756	(946,756)
Contributions - Employee		184,123	(184,123)
Net Investment Income		(845,984)	845,984
Benefit Payments, Including Refunds of Employees' Contributions	(1,382,009)	(1,382,009)	
Administrative Expenses		(50,589)	50,589
Other (Net Transfer)			
Net Changes	2,143,199	(1,147,703)	3,290,902
Balance, End of Year	\$ 29,214,281	14,140,565	15,073,716

Changes in assumptions related to salary increases, inflation, retirement age, disability rates, termination and mortality were made since the prior measurement date.

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below represents the pension liability of the Village calculated using the discount rate of 7.00% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 18,914,653	15,073,716	11,903,480

**VILLAGE OF RIVER FOREST, ILLINOIS**

Notes to Financial Statements  
April 30, 2016

13. Defined Benefit Pension Plans (Cont.)

C. Firefighters' Pension (Cont.)

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

For the year ended April 30, 2016, the Village recognized pension expense of \$1,666,058. At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	2016	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$	541,666
Changes in Assumptions	1,585,608	
Net Differences Between Projected and Actual Earnings on Plan Investments	1,527,660	
	<u>\$ 3,113,268</u>	<u>541,666</u>

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

Year Ending April 30, 2016	Amount
2017	\$ 582,289
2018	582,289
2019	582,289
2020	582,285
2020	200,373
Thereafter	<u>42,077</u>
	<u>\$ 2,571,602</u>

D. Summary of Significant Accounting Policies and Plan Asset Matters

*Police Pension and Firefighters' Pension*

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Under this method, additions to net position are recorded when earned and deductions from net position are recorded when the time related liabilities\deferred inflows are incurred. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 13. Defined Benefit Pension Plans (Cont.)

#### D. Summary of Significant Accounting Policies and Plan Asset Matters (Cont.)

##### *Police Pension and Firefighters' Pension (Cont.)*

##### Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

##### Related Party Transactions

There are no securities of the employer or any other related parties included in plan assets, including any loans.

#### E. Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten-year trend information may be found in the required supplemental information section of the government's annual financial report.

### 14. Pension Trust Funds – Financial Data

Schedule of Fiduciary Net Position as of April 30, 2016:

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 1,064,494	1,040,545	2,105,039
<b>Investments</b>			
Equities		1,421,055	1,421,055
Corporate Bonds	1,831,374	1,990,673	3,822,047
Municipal Bonds	104,217		104,217
U.S. Government Obligations	4,484,992	3,601,230	8,086,222
Mutual Funds	11,753,047	6,055,253	17,808,300
Insurance Company Contracts	1,368,324		1,368,324
<b>Receivables</b>			
Accrued Interest	54,438	32,311	86,749
Due From Municipality	8,727	5,662	14,389
Prepaid Expenses	7,731	4,872	12,603
	<hr/>		
Total Assets	20,677,344	14,151,601	34,828,945
<b>Liabilities</b>			
Accounts Payable	15,817	11,036	26,853
	<hr/>		
<b>Net Position</b>			
Restricted for Pensions	\$ 20,661,527	14,140,565	34,802,092
	<hr/> <hr/>		

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

### 14. Pension Trust Funds – Financial Data (Cont.)

Schedule of Changes in Fiduciary Net Position for the year ended April 30, 2016:

	Police Pension	Firefighters' Pension	Total
<b>Additions</b>			
Contributions			
Employer	\$ 258,151	184,123	442,274
Plan Members	1,130,516	946,756	2,077,272
	<u>1,388,667</u>	<u>1,130,879</u>	<u>2,519,546</u>
Investment Income			
Net Depreciation in Fair Value of Investments	(481,376)	(1,168,674)	(1,650,050)
Interest and Dividends	335,289	379,300	714,589
	<u>(146,087)</u>	<u>(789,374)</u>	<u>(935,461)</u>
Less Investment Expense	(30,258)	(56,610)	(86,868)
Net Investment Loss	<u>(176,345)</u>	<u>(845,984)</u>	<u>(1,022,329)</u>
<b>Total Additions</b>	<u>1,212,322</u>	<u>284,895</u>	<u>1,497,217</u>
<b>Deductions</b>			
Administration	62,316	50,589	112,905
Pension Benefits and Refunds	2,060,037	1,382,009	3,442,046
<b>Total Deductions</b>	<u>2,122,353</u>	<u>1,432,598</u>	<u>3,554,951</u>
<b>Change in Net Position</b>	<u>(910,031)</u>	<u>(1,147,703)</u>	<u>(2,057,734)</u>
<b>Net Position Restricted for Pensions</b>			
Beginning	<u>21,571,558</u>	<u>15,288,268</u>	<u>36,859,826</u>
Ending	<u>\$ 20,661,527</u>	<u>14,140,565</u>	<u>34,802,092</u>

### 15. Joint Venture

The Village participates in the West Suburban Consolidated Dispatch Center (WSCDC), a governmental joint venture with the Village of Oak Park, the Village of Elmwood Park and the City of Park Ridge. The joint venture was formed in 1999 under the Intergovernmental Cooperation Act (ILCS 5, Act 220) for the joint and mutual operation of centralized communication system. WSCDC commenced operations on May 1, 2002. All activities of WSCDC are costs shared by the members. Each member's share for each fiscal year of operations will be based on the total number of calls dispatched by the member in the preceding fiscal year divided by total calls dispatched by all members during the preceding fiscal year. Each member's cost-sharing allocation is approved by the Board of Directors of WSCDC annually. Any member may withdraw from the joint venture upon one year's notice.

During fiscal 2016, the Village's allocated cost share totaled \$430,730 for operational expenses, which is charged to General Government expenditures in the General Fund.

Financial statements may be obtained by contacting WSCDC at 400 Park Avenue, River Forest, Illinois 60305.

## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 16. Restatement

The governmental activities and business-type activities net position beginning balances were restated due to the implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, and correction of certain account balances from the prior year as follows:

#### Governmental Activities

Net position adjustment related to GASB 68 implementation:

Removal of GASB 27 Net Pension Obligation at May 1, 2015	\$ 402,886
Record GASB 68 Net Pension Liability at May 1, 2015	(30,962,465)
Record Deferred Outflows at May 1, 2015	<u>58,080</u>
Net Restatement	<u><u>\$ (30,501,499)</u></u>

#### Business-type Activities/Waterworks and Sewerage Fund

Net position adjustment related to GASB 68 implementation:

Removal of GASB 27 Net Pension Obligation at May 1, 2015	\$ 86,760
Record GASB 68 Net Pension Liability at May 1, 2015	(224,849)
Record Deferred Outflows at May 1, 2015	<u>24,433</u>
Net Restatement	<u><u>\$ (113,656)</u></u>

### 17. Future Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following pronouncements, which are expected to have a material impact on the Village's financial statements in future periods:

Statement No. 72, *Fair Value Measurement and Application*. This Statement was issued to enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. The Village is required to implement this Statement for the fiscal year ending April 30, 2017.



## VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements  
April 30, 2016

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### 17. Future Pronouncements (Cont.)

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement revises existing standards of financial reporting for postemployment benefits other than pensions. This Statement replaces the requirements of Statement Nos. 45 and 57. The Village will be required to implement this Statement for the fiscal year ending April 30, 2019.

Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*, is effective for periods beginning after June 15, 2016, except for certain of its provisions which are effective on or after June 15, 2017. GASB 82 addresses three issues: presentation of payroll-related measures in RSI, selection of assumptions and classification of employer-paid member contributions.

**REQUIRED SUPPLEMENTARY INFORMATION**

**VILLAGE OF RIVER FOREST, ILLINOIS**

Required Supplementary Information

Illinois Municipal Retirement Fund - Regular Plan

Schedule of Changes in the Village's Net Pension Liability and Related Ratios

April 30, 2016

	<u>2016</u>
Total Pension Liability	
Service Cost	\$ 223,198
Interest	835,431
Changes in Benefit Terms	
Differences Between Expected and Actual Experience	165,693
Change of Assumptions	15,170
Benefit Payments, Including Refunds of Member Contributions	<u>(638,700)</u>
Net Change in Total Pension Liability	600,792
Total Pension Liability - Beginning	<u>11,272,918</u>
Total Pension Liability - Ending	<u><u>\$ 11,873,710</u></u>
Plan Fiduciary Net Position	
Contributions - Village	\$ 259,789
Contributions - Members	130,951
Net Investment Income	217,394
Benefit Payments, Including Refunds of Member Contributions	(638,700)
Administrative Expense	<u>(30,714)</u>
Net Change in Plan Fiduciary Net Position	(61,280)
Plan Net Position - Beginning	<u>10,330,601</u>
Plan Net Position - Ending	<u><u>\$ 10,269,321</u></u>
Village's Net Pension Liability	<u><u>\$ 1,604,389</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.49%
Covered Employee Payroll	\$ 2,004,870
Village's Net Pension Liability as a Percentage of Covered Employee Payroll	80.02%

*Notes to the Required Supplementary Information*

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in 2016.

This information is presented as of the measurement date, which is December 31 of the fiscal year.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Required Supplementary Information

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel Fund

Schedule of Changes in the Village's Net Pension Liability and Related Ratios

April 30, 2016

	<u>2016</u>
Total Pension Liability	
Service Cost	\$
Interest	13,235
Changes in Benefit Terms	
Differences Between Expected and Actual Experience	(3,015)
Change of Assumptions	
Benefit Payments, Including Refunds of Member Contributions	<u>(10,734)</u>
Net Change in Total Pension Liability	(514)
Total Pension Liability - Beginning	<u>181,833</u>
Total Pension Liability - Ending	<u>\$ 181,319</u>
Plan Fiduciary Net Position	
Contributions - Village	\$ 3,217
Contributions - Members	
Net Investment Income	830
Benefit Payments, Including Refunds of Member Contributions	(10,734)
Administrative Expense	<u>4,294</u>
Net Change in Plan Fiduciary Net Position	(2,393)
Plan Net Position - Beginning	<u>169,812</u>
Plan Net Position - Ending	<u>\$ 167,419</u>
Village's Net Pension Liability	<u>\$ 13,900</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.33%
Covered Employee Payroll	\$
Village's Net Pension Liability as a Percentage of Covered Employee Payroll	0.00%

*Notes to the Required Supplementary Information*

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in 2016.

This information is presented as of the measurement date, which is December 31 of the fiscal year.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Required Supplementary Information

Police Pension Fund

Schedule of Changes in the Village's Net Pension Liability and Related Ratios

April 30, 2016

	2016	2015
Total Pension Liability		
Service Cost	\$ 611,167	645,064
Interest	2,631,940	2,549,994
Changes in Benefit Terms		
Differences Between Expected and Actual Experience	(61,973)	
Change of Assumptions	2,040,961	
Benefit Payments, Including Refunds of Member Contributions	(2,060,037)	(1,902,065)
Net Change in Total Pension Liability	3,162,058	1,292,993
Total Pension Liability - Beginning	40,021,720	38,728,727
Total Pension Liability - Ending	\$ 43,183,778	40,021,720
Plan Fiduciary Net Position		
Contributions - Village	\$ 1,130,516	1,098,682
Contributions - Members	258,151	228,802
Net Investment Income	(176,345)	1,569,527
Benefit Payments, Including Refunds of Member Contributions	(2,060,037)	(1,902,065)
Administrative Expense	(62,316)	(45,915)
Net Change in Plan Fiduciary Net Position	(910,031)	949,031
Plan Net Position - Beginning	21,571,558	20,622,527
Plan Net Position - Ending	\$ 20,661,527	21,571,558
Village's Net Pension Liability	\$ 22,522,251	18,450,162
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.85%	53.90%
Covered Employee Payroll	\$ 2,903,043	2,630,388
Village's Net Pension Liability as a Percentage of Covered Employee Payroll	775.82%	701.42%

*Notes to the Required Supplementary Information*

In Fiscal Year 2016, the Village's actuary, Lauterbach & Amen, changed the demographic assumptions they used from the L&A 2012 Illinois Police Mortality, Termination, Retirement and Disability Rates, to their 2016 rates. This change was made to better reflect the future anticipated experience of the fund. This change in assumptions resulted in a \$2,040,961 increase in the Total Pension Liability in 2016.

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the Pension Plan in 2015.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Required Supplementary Information

Firefighters' Pension Fund

Schedule of Changes in the Village's Net Pension Liability and Related Ratios

April 30, 2016

	2016	2015
Total Pension Liability		
Service Cost	\$ 434,288	499,365
Interest	1,846,605	1,782,149
Changes in Benefit Terms		
Differences Between Expected and Actual Experience	(645,633)	
Change of Assumptions	1,889,948	
Benefit Payments, Including Refunds of Member Contributions	(1,382,009)	(1,339,397)
Net Change in Total Pension Liability	2,143,199	942,117
Total Pension Liability - Beginning	27,071,082	26,128,965
Total Pension Liability - Ending	<u>\$ 29,214,281</u>	<u>27,071,082</u>
Plan Fiduciary Net Position		
Contributions - Village	\$ 946,756	822,631
Contributions - Members	184,123	184,809
Net Investment Income	(845,984)	599,529
Benefit Payments, Including Refunds of Member Contributions	(1,382,009)	(1,339,397)
Administrative Expense	(50,589)	(33,720)
Net Change in Plan Fiduciary Net Position	(1,147,703)	233,852
Plan Net Position - Beginning	15,288,268	15,054,416
Plan Net Position - Ending	<u>\$ 14,140,565</u>	<u>15,288,268</u>
Village's Net Pension Liability	<u>\$ 15,073,716</u>	<u>11,782,814</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.40%	56.47%
Covered Employee Payroll	\$ 2,347,791	1,916,626
Village's Net Pension Liability as a Percentage of Covered Employee Payroll	642.04%	614.77%

*Notes to the Required Supplementary Information*

In Fiscal Year 2016, the Village's actuary, Lauterbach & Amen, changed the demographic assumptions they used from the L&A 2012 Illinois Firefighters Mortality, Termination, Retirement and Disability Rates to their 2016 rates. This change was made to better reflect the future anticipated experience of the fund. This change in assumptions resulted in a \$1,889,948 increase in the Total Pension Liability in 2016.

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the Pension Plan in 2015.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Required Supplementary Information

Other Post-Employment Benefit Plan

Schedule of Funding Progress

April 30, 2016

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Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
4/30/2016	\$	5,723,778	5,723,778	0.00	6,250,503	91.57%
4/30/2015		5,556,302	5,556,302	0.00	6,039,134	92.00%
4/30/2014		5,386,420	5,386,420	0.00	5,834,912	92.31%
4/30/2013		7,576,668	7,576,668	0.00	6,522,947	116.15%
4/30/2012		7,642,019	7,642,019	0.00	6,395,171	119.50%
4/30/2011		5,658,441	5,658,441	0.00	6,173,662	91.65%

**VILLAGE OF RIVER FOREST, ILLINOIS**

Required Supplementary Information

Illinois Municipal Retirement Fund - Regular Plan

Schedule of Village Contributions

April 30, 2016

Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
4/30/2016	\$ 225,977	246,209	20,232	2,004,870	12.28%

*Notes to the Required Supplementary Information*

Valuation Date Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

*Methods and Assumptions Used to Determine 2015 Contribution Rates*

Actuarial Cost Method	Aggregate Entry-age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	28-years Closed Period
Asset Valuation Method	5-year Smoothed Market; 20% Corridor
Wage Growth	4.00%
Price Inflation	3.00% approximate; no explicit price inflation assumption is used in this valuation.
Salary Increases	4.40% to 16.00%, Including Inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.
Other	There were no benefit changes during the year.

Information above based on valuation assumptions used in the December 31, 2013 actuarial valuation; note two year lag between valuation and rate setting.

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in 2016.



**VILLAGE OF RIVER FOREST, ILLINOIS**

Required Supplementary Information

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel Fund

Schedule of Village Contributions

April 30, 2016

Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
4/30/2016	\$	3,092	3,092		0.00%

*Notes to the Required Supplementary Information*

Valuation Date Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported. The actuarially determined contribution is included in the property tax levy for the current year. The levy is collected in two installments. One in the current year and one in the subsequent fiscal year.

*Methods and Assumptions Used to Determine 2015 Contribution Rates*

Actuarial Cost Method	Aggregate Entry-age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	28-years Closed Period
Asset Valuation Method	5-year Smoothed Market; 20% Corridor
Wage Growth	4.00%
Price Inflation	3.00% approximate; no explicit price inflation assumption is used in this valuation.
Salary Increases	4.40% to 16.00%, Including Inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.
Other	There were no benefit changes during the year.

Information above based on valuation assumptions used in the December 31, 2013 actuarial valuation; note two year lag between valuation and rate setting.

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in 2016.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Required Supplementary Information

Police Pension Fund

Schedule of Village Contributions

April 30, 2016

Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
4/30/2016	\$ 1,204,822	1,130,516	(74,306)	2,903,043	38.94%
4/30/2015	1,088,922	1,098,682	9,760	2,630,388	41.77%

*Notes to the Required Supplementary Information*

Valuation Date Actuarially determined contribution rates are calculated as of May 1 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported. The actuarially determined contribution is included in the property tax levy for the current year. The levy is collected in two installments. One in the current year and one in the subsequent fiscal year.

*Methods and Assumptions Used to Determine 2016 Contribution Rates*

Actuarial Cost Method	Entry-age Normal
Amortization Method	Straight Line
Remaining Amortization Period	100% Funded Through 2033
Actual Experience	6 Years
Changes in Assumptions	6 Years
Asset Experience	5 Years
Asset Valuation Method	5-year Smoothed Market
Price Inflation	2.50%
Salary Increases	3.50% - 12.50%
Investment Rate of Return	6.75%
Retirement Age	120% L&A 2016 Illinois Police Retirement Rates Cap Age 60
Mortality	L&A 2016 Illinois Police Mortality Rates

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the Pension Plan in 2015.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Required Supplementary Information

Firefighters' Pension Fund

Schedule of Village Contributions

April 30, 2016

Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
4/30/2016	\$ 988,150	946,756	(41,394)	2,347,791	40.33%
4/30/2015	887,920	822,631	(65,289)	1,916,626	42.92%

*Notes to the Required Supplementary Information*

**Valuation Date** Actuarially determined contribution rates are calculated as of May 1 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported. The actuarially determined contribution is included in the property tax levy for the current year. The levy is collected in two installments. One in the current year and one in the subsequent fiscal year.

*Methods and Assumptions Used to Determine 2016 Contribution Rates*

Actuarial Cost Method	Entry-age Normal
Amortization Method	Straight Line
Remaining Amortization Period	100% Funded Through 2033
Actual Experience	6 Years
Changes in Assumptions	6 Years
Asset Experience	5 Years
Asset Valuation Method	5-year Smoothed Market
Price Inflation	2.50%
Salary Increases	3.50% - 19.17%
Investment Rate of Return	7.00%
Retirement Age	120% L&A 2016 Illinois Firefighters Retirement Rates Cap Age 55
Mortality	L&A 2016 Illinois Firefighters Mortality Rates

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the Pension Plan in 2015.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Required Supplementary Information

Other Post-Employment Benefit Plan

Schedule of Village Contributions

April 30, 2016

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Year Ended	Annual Required Contribution	Percentage Contributed
4/30/2016	\$ 199,263	48.40%
4/30/2015	184,504	44.40%
4/30/2014	169,270	41.40%
4/30/2013	211,657	47.10%
4/30/2012	285,340	72.90%
4/30/2011	206,113	53.10%

**VILLAGE OF RIVER FOREST, ILLINOIS**

Required Supplementary Information

Police Pension Fund

Schedule of Investment Returns

April 30, 2016

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Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
4/30/2016	(0.4)%
4/30/2015	7.4%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the Pension Plan in 2015.

**VILLAGE OF RIVER FOREST, ILLINOIS**

Required Supplementary Information

Firefighters' Pension Fund

Schedule of Investment Returns

April 30, 2016

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Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
4/30/2016	1.42%
4/30/2015	5.42%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the Pension Plan in 2015.

**VILLAGE OF RIVER FOREST, ILLINOIS**

General Fund

Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual

Year Ended April 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>				
Taxes	\$ 8,354,569	8,354,569	8,281,010	(73,559)
Intergovernmental	3,425,244	3,425,244	3,579,247	154,003
Licenses and Permits	1,035,270	1,035,270	1,117,850	82,580
Charges for Services	1,582,026	1,582,026	1,638,575	56,549
Fines and Forfeit	321,505	321,505	280,957	(40,548)
Investment Income	25,000	25,000	49,381	24,381
Miscellaneous	163,750	163,750	263,704	99,954
<b>Total Revenues</b>	<b>14,907,364</b>	<b>14,907,364</b>	<b>15,210,724</b>	<b>303,360</b>
<b>Expenditures</b>				
<b>Current</b>				
General Government	2,095,044	2,316,044	2,288,895	(27,149)
Development	361,248	361,248	361,116	(132)
Public Safety	9,364,189	9,293,189	9,173,978	(119,211)
Public Works Department	1,606,724	1,456,724	1,414,672	(42,052)
Sanitation	1,017,972	1,017,972	1,032,181	14,209
<b>Total Expenditures</b>	<b>14,445,177</b>	<b>14,445,177</b>	<b>14,270,842</b>	<b>(174,335)</b>
<b>Excess of Revenues Over Expenditures</b>	<b>462,187</b>	<b>462,187</b>	<b>939,882</b>	<b>477,695</b>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(461,547)	(843,847)	(843,847)	
General Obligation Bonds Issued		382,300	382,300	
Sale of Capital Assets	2,000	2,000		(2,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(459,547)</b>	<b>(459,547)</b>	<b>(461,547)</b>	<b>(2,000)</b>
<b>Net Change in Fund Balance</b>	<b>\$ 2,640</b>	<b>2,640</b>	<b>478,335</b>	<b>475,695</b>
<b>Fund Balance</b>				
Beginning			<u>8,883,475</u>	
Ending			<u>9,361,810</u>	

## VILLAGE OF RIVER FOREST, ILLINOIS

Note to Required Supplementary Information  
April 30, 2016

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### Legal Compliance and Accountability

#### Budgetary Control

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

- i) The Village Administrator submits to the Village Board of Trustees a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- ii) Public hearings are conducted by the Village to obtain taxpayer comments.
- iii) Subsequently, the budget is legally enacted through passage of an ordinance.
- iv) Formal budgetary integration is employed as a management control device during the year for the general, special revenue, debt service and capital projects funds.
- v) Budgets for the governmental funds for which budgets have been adopted are adopted on a basis consistent with GAAP.
- vi) Budgetary authority lapses at year end.
- vii) State law requires that “expenditures be made in conformity with appropriations/budget.” As under the Budget Act, transfers between line items and departments may be made by administrative action. Amounts to be transferred between funds or increasing the amount budgeted in any fund require Village Board approval. The level of legal control is generally the fund budget in total.
- viii) Budgeted amounts are as originally adopted, with the exceptions of Board-approved amendments.

During the year ended April 30, 2016, there were amendments to various accounts.



**COMBINING, INDIVIDUAL FUND, AND CAPITAL ASSET  
FINANCIAL STATEMENTS AND SCHEDULES**

## **GOVERNMENTAL FUND TYPES**

**NONMAJOR GOVERNMENTAL FUNDS –  
COMBINING STATEMENTS**

**VILLAGE OF RIVER FOREST, ILLINOIS**

Nonmajor Governmental Funds

Combining Balance Sheet

April 30, 2016

	Special Revenue	Debt Service	Capital Projects		Total Nonmajor Governmental Funds
	Motor Fuel Tax	Alternate Revenue Debt Service	Economic Development Fund	Capital Improvement Fund	
<b>Assets</b>					
Cash and Cash Equivalents	\$ 583,456	172,810	2,024,959	673,551	3,454,776
Investments			99,200	484,850	584,050
Receivables					
Taxes		121,820			121,820
Accounts			1,649		1,649
Intergovernmental	25,425			477,468	502,893
Interest				7,103	7,103
Other				178,746	178,746
	<hr/>				
Total Assets	\$ 608,881	294,630	2,125,808	1,821,718	4,851,037
<hr/>					
<b>Liabilities</b>					
Accounts Payable	\$		25,740	27,180	52,920
<hr/>					
<b>Deferred Inflows of Resources</b>					
Unavailable Taxes		121,820			121,820
Unavailable Intergovernmental Revenue				477,468	477,468
	<hr/>				
Total Deferred Inflows of Resources	-	121,820	-	477,468	599,288
<hr/>					
<b>Fund Balance</b>					
Restricted	608,881	172,810	2,100,068		2,881,759
Committed				1,317,070	1,317,070
	<hr/>				
Total Fund Balances	608,881	172,810	2,100,068	1,317,070	4,198,829
<hr/>					
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 608,881	294,630	2,125,808	1,821,718	4,851,037
<hr/>					

**VILLAGE OF RIVER FOREST, ILLINOIS**

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances  
Year Ended April 30, 2016

	Special Revenue	Debt Service	Capital Projects		Total Nonmajor Governmental Funds
	Motor Fuel Tax	Alternate Revenue Debt Service	Economic Development Fund	Capital Improvement Fund	
Revenues					
Taxes	\$	240,702			240,702
Intergovernmental	285,767		1,597	25,000	312,364
Charges for Services				63,628	63,628
Fines and Forfeits				909,062	909,062
Investment Income	755	283	4,828	7,186	13,052
Total Revenues	<u>286,522</u>	<u>240,985</u>	<u>6,425</u>	<u>1,004,876</u>	<u>1,538,808</u>
Expenditures					
Current					
Highways and Streets	513,450				513,450
General Government				12,000	12,000
Debt Service					
Principal Retirement		205,000			205,000
Interest		12,253			12,253
Capital Outlay			196,020	861,345	1,057,365
Total Expenditures	<u>513,450</u>	<u>217,253</u>	<u>196,020</u>	<u>873,345</u>	<u>1,800,068</u>
Net Change in Fund Balances	(226,928)	23,732	(189,595)	131,531	(261,260)
Fund Balances					
Beginning of Year	<u>835,809</u>	<u>149,078</u>	<u>2,289,663</u>	<u>1,185,539</u>	<u>4,460,089</u>
End of Year	<u>\$ 608,881</u>	<u>172,810</u>	<u>2,100,068</u>	<u>1,317,070</u>	<u>4,198,829</u>

**GENERAL FUND**  
**(Major Fund)**

**The General Fund is used to account for resources traditionally associated with general governments which are not required to be accounted for in another fund.**

**VILLAGE OF RIVER FOREST, ILLINOIS**

General Fund

Schedule of Revenues – Budget and Actual

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance from Final Budget Over (Under)	2015 Actual
<b>Revenues</b>				
<b>Taxes</b>				
Property Tax	\$ 6,183,942	6,155,884	(28,058)	6,067,287
Non-Home Rule Sales Tax	862,209	885,574	23,365	871,224
Utility Tax	657,371	559,018	(98,353)	657,968
Transfer Tax	90,000	110,084	20,084	99,996
Communication Tax	326,498	342,467	15,969	357,535
E911 Tax	81,264	55,596	(25,668)	86,280
Restaurant Tax	153,285	172,387	19,102	151,361
<b>Total Taxes</b>	<b>8,354,569</b>	<b>8,281,010</b>	<b>(73,559)</b>	<b>8,291,651</b>
<b>Intergovernmental</b>				
Wireless Tax	65,513	93,124	27,611	69,808
Sales Tax	1,862,913	1,852,443	(10,470)	1,855,258
State Income Tax	1,106,028	1,190,627	84,599	1,094,125
Replacement Tax	140,416	120,319	(20,097)	149,767
Contributions and Grants	33,637	61,840	28,203	36,588
Use Tax	216,737	260,894	44,157	228,725
<b>Total Intergovernmental</b>	<b>3,425,244</b>	<b>3,579,247</b>	<b>154,003</b>	<b>3,434,271</b>
<b>Licenses and Permits</b>				
Business Licenses	16,720	17,595	875	16,830
Liquor Licenses	24,000	21,950	(2,050)	25,650
Vehicle Licenses	296,000	294,267	(1,733)	307,946
Contractor Licenses	80,000	83,650	3,650	81,700
Construction/Building Permits	407,000	471,698	64,698	442,394
Cable Television Fees	205,770	219,830	14,060	206,815
Pet Licenses	2,550	2,290	(260)	1,510
Tent Licenses	300	540	240	120
Bonfire Permits	30	30		30
Cab Licenses	500		(500)	500
Film Crew Licenses	2,000	5,200	3,200	5,900
Solicitor Permits	400	800	400	500
<b>Total Licenses and Permits</b>	<b>1,035,270</b>	<b>1,117,850</b>	<b>82,580</b>	<b>1,089,895</b>
<b>Charges for Services</b>				
Garbage Collection Charges	958,058	947,369	(10,689)	895,892
Parking Lot Fees	73,287	78,514	5,227	76,677
State Highway Maintenance Fees	54,266		(54,266)	54,465
Ambulance Charges	325,000	406,242	81,242	337,336
Sidewalk Program	10,000	7,017	(2,983)	10,431
WSCDC Janitorial Service	5,315	11,368	6,053	
Workers' Compensation Insurance	10,000	37,395	27,395	49,853
NSF Fees	200		(200)	55
Towing Fees	135,000	138,500	3,500	157,500
Animal Release Fees	500	565	65	740
Police Reports	2,100	2,303	203	2,464
Fire Fees	2,900	4,202	1,302	9,830

**VILLAGE OF RIVER FOREST, ILLINOIS**

General Fund

Schedule of Revenues – Budget and Actual (Cont.)

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance from Final Budget Over (Under)	2015 Actual
Revenues (Cont.)				
Charges for Services (Cont.)				
Elevator Inspection Fees	5,000	4,700	(300)	4,200
Elevator Re-Inspection Fees	400	400		2,250
Total Charges for Services	1,582,026	1,638,575	56,549	1,601,693
Fines and Forfeits				
Court Fines	90,000	56,554	(33,446)	85,730
Parking Tickets	175,000	161,400	(13,600)	226,641
DUI Fines	5,000	17,905	12,905	11,639
Building Construction Citations	2,000	2,975	975	3,650
Asset Forfeitures	10,000	2,618	(7,382)	14,746
Red Light Camera Revenue	39,505	39,505		33,620
Total Fines and Forfeits	321,505	280,957	(40,548)	376,026
Investment Income				
Interest and Dividends	25,000	44,766	19,766	26,649
Net Change in Fair Value of Investments		4,615	4,615	(44,101)
Total Investment Income	25,000	49,381	24,381	(17,452)
Miscellaneous				
Wireless Leases	37,750	38,508	758	37,386
Net Change in IRMA Deposit		87,514	87,514	105,267
Other	126,000	137,682	11,682	171,806
Total Miscellaneous	163,750	263,704	99,954	314,459
Total Revenues	\$ 14,907,364	15,210,724	303,360	15,090,543



**VILLAGE OF RIVER FOREST, ILLINOIS**

General Fund

Schedule of Expenditures – Budget and Actual  
 Year Ended April 30, 2016  
 With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance from Final Budget Over (Under)	2015 Actual
General Government				
Administration				
Personal Services				
Salaries - Regular	\$ 496,524	474,788	(21,736)	456,539
Insurance Refusal Reimbursement	1,500	1,500		1,500
Salaries - Part Time	31,300	57,470	26,170	36,750
Overtime	2,000	50	(1,950)	2,503
FICA	30,626	29,499	(1,127)	27,202
Medicare	7,758	7,635	(123)	6,925
IMRF	7,200	7,550	350	7,200
Employee Assistance Program	1,750	1,781	31	1,735
Fringe Benefits	61,029	67,252	6,223	60,126
Wellness Program	1,250	1,309	59	789
Health Insurance	51,725	47,134	(4,591)	38,812
Health Insurance - Retirees	1,865	1,875	10	4,729
Life Insurance	507	739	232	653
HDHP Contributions	9,864	12,262	2,398	8,587
Total Personal Services	704,898	710,844	5,946	654,050
Contractual Services				
Communications	23,620	22,139	(1,481)	20,765
Auditing	22,105	21,490	(615)	21,430
Actuarial Services	10,500	3,688	(6,812)	20,145
Consulting Services	114,800	107,337	(7,463)	149,469
Information Technology	199,290	197,402	(1,888)	80,373
Vehicle Sticker Program	16,905	16,185	(720)	15,288
Health/Inspection Services	14,400	15,000	600	3,300
Unemployment Claims	5,000		(5,000)	2,938
Bank Fees	12,490	8,326	(4,164)	10,136
Liability Insurance	355,790	332,434	(23,356)	307,392
IRMA Liability Insurance	27,719	30,843	3,124	14,606
Maintenance of Office Equipment	12,170	11,359	(811)	11,068
Training	6,500	5,840	(660)	5,645
Tuition Reimbursement				6,820
Travel and Meeting Expense	7,050	8,149	1,099	8,239
Dues and Subscriptions	19,105	23,884	4,779	18,864
Printing	2,235	8,620	6,385	3,169
Medical Examinations	1,500	5,394	3,894	12,204
Advertising/Legal Notice	2,450	4,949	2,499	2,844
Employee Recognition	5,375	11,412	6,037	6,761
Total Contractual Services	859,004	834,451	(24,553)	721,456

**VILLAGE OF RIVER FOREST, ILLINOIS**

General Fund

Schedule of Expenditures – Budget and Actual (Cont.)  
 Year Ended April 30, 2016  
 With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance from Final Budget Over (Under)	2015 Actual
General Government (Cont.)				
Administration (Cont.)				
Commodities				
Office Supplies	16,685	12,194	(4,491)	15,288
Office Equipment	5,000	3,281	(1,719)	5,703
Postage	11,000	10,380	(620)	13,883
Total Commodities	32,685	25,855	(6,830)	34,874
Total Administration	1,596,587	1,571,150	(25,437)	1,410,380
Emergency 911				
Contractual Services				
Telephone Line Charges	11,000	6,449	(4,551)	10,313
Consulting Services	6,500	375	(6,125)	113
IT Support	38,000	51,314	13,314	8,000
Maintenance of Equipment	500		(500)	
Training	550	995	445	
Travel and Meetings	1,500		(1,500)	
WSCDC Contribution	431,432	430,730	(702)	516,408
Citizen's Corps Council	5,500	5,062	(438)	1,514
Medical Reserve Corp				780
Total Emergency 911	494,982	494,925	(57)	537,128
Police and Fire Commission				
Contractual Services				
Secretarial Services	7,500	527	(6,973)	1,230
Legal Services	2,500	423	(2,077)	
Travel and Meetings	200		(200)	76
Dues and Subscriptions	375		(375)	375
Candidate Screening	2,000	1,463	(537)	1,830
Testing	23,000	31,376	8,376	8,667
Advertising/Legal Notice	750	1,655	905	3,539
Total Contractual Services	36,325	35,444	(881)	15,717
Commodities				
Office Supplies	150		(150)	
Postage		60	60	
Total Commodities	150	60	(90)	-
Total Police and Fire Commission	36,475	35,504	(971)	15,717

**VILLAGE OF RIVER FOREST, ILLINOIS**

General Fund

Schedule of Expenditures – Budget and Actual (Cont.)  
 Year Ended April 30, 2016  
 With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance from Final Budget Over (Under)	2015 Actual
General Government (Cont.)				
Legal Services				
Contractual Services				
Legal Services	65,000	64,948	(52)	40,416
Village Attorney	111,000	111,368	368	156,522
Village Prosecutor	12,000	11,000	(1,000)	12,000
Total Legal Services	188,000	187,316	(684)	208,938
Total General Government	2,316,044	2,288,895	(27,149)	2,172,163
Development				
Building and Development				
Personal Services				
Salaries - Regular	170,039	169,615	(424)	159,064
Insurance Refusal Reimbursement	2,700	2,138	(562)	2,700
Salaries - Part Time	38,163	41,467	3,304	24,365
Overtime	1,900		(1,900)	
FICA	12,896	13,081	185	11,530
Medicare	3,016	3,059	43	2,697
IMRF	24,323	23,975	(348)	22,502
Fringe Benefits	1,800	2,100	300	1,675
Health Insurance	10,584	12,917	2,333	3,317
Life Insurance	83	97	14	97
HDHP Contributions	2,199	2,673	474	1,598
Total Personal Services	267,703	271,122	3,419	229,545
Contractual Services				
Professional Services	10,500	11,253	753	62,183
Inspection Services	58,350	59,194	844	55,158
Plan Review Services	20,000	16,645	(3,355)	21,541
Maintenance of Vehicles	1,000	752	(248)	347
Training	1,320	1,125	(195)	197
Dues and Subscriptions	175	192	17	184
Advertising/Legal Notice	750	434	(316)	1,078
Total Contractual Services	92,095	89,595	(2,500)	140,688
Commodities				
Office Supplies	400		(400)	1,165
Office Equipment	150		(150)	
Gasoline and Oil	400	399	(1)	69
Operating Supplies	500		(500)	186
Total Commodities	1,450	399	(1,051)	1,420
Total Building and Development	361,248	361,116	(132)	371,653

**VILLAGE OF RIVER FOREST, ILLINOIS**

General Fund

Schedule of Expenditures – Budget and Actual (Cont.)

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance from Final Budget Over (Under)	2015 Actual
<b>Public Safety</b>				
<b>Police Department</b>				
<b>Personal Services</b>				
Salaries - Sworn	2,564,365	2,497,154	(67,211)	2,446,258
Salaries - Regular	110,827	114,275	3,448	122,381
Part-Time Salaries	35,939.00	31,152	(4,787)	13,674
Specialist Pay	30,500	37,026	6,526	34,954
Holiday Pay	116,394	100,266	(16,128)	100,375
Overtime Pay	132,000	218,715	86,715	179,108
IDOT STEP Overtime	9,278	6,994	(2,284)	10,015
Educational Incentives	34,800	34,550	(250)	33,000
FICA	9,720	8,864	(856)	8,258
Medicare	43,656	41,153	(2,503)	39,614
IMRF	20,041	20,078	37	20,461
Fringe Benefits	1,800	1,800		1,800
Health Insurance	421,621	414,773	(6,848)	424,998
Health Insurance - Retirees	92,979	90,861	(2,118)	91,944
Life Insurance	1,656	1,974	318	2,032
HDHP Contributions	73,734	62,765	(10,969)	82,570
Contribution to Police Pension	1,204,822	1,130,516	(74,306)	1,098,682
<b>Total Personal Services</b>	<b>4,904,132</b>	<b>4,812,916</b>	<b>(91,216)</b>	<b>4,710,124</b>
<b>Contractual Services</b>				
Communications	3,068	3,423	355	3,490
Administrative Adjudication	29,220	21,660	(7,560)	24,340
Data Processing	6,367	2,452	(3,915)	2,951
Animal Control		3,560	3,560	
Maintenance of Office Equipment	14,850	11,461	(3,389)	9,538
Maintenance of Vehicles	46,500	37,340	(9,160)	45,801
Maintenance of Buildings	4,340	56	(4,284)	1,541
Training	18,050	18,323	273	14,874
Community Support Services	89,407	136,318	46,911	94,305
Travel and Meeting Expense	4,450	1,354	(3,096)	1,367
Dues and Subscriptions	7,820	9,077	1,257	6,736
Printing	5,640	4,543	(1,097)	4,303
Medical Examinations	5,015	4,582	(433)	1,528
Advertising/Legal Notice	880		(880)	
Damage Claims				1,989
<b>Total Contractual Services</b>	<b>235,607</b>	<b>254,149</b>	<b>18,542</b>	<b>212,763</b>
<b>Commodities</b>				
Office Supplies	14,800	5,439	(9,361)	4,237
Gas and Oil	44,089	40,466	(3,623)	50,865
Uniforms - Sworn Personnel	27,000	27,242	242	27,684
Uniforms - Other Personnel	800	155	(645)	219

**VILLAGE OF RIVER FOREST, ILLINOIS**

General Fund

Schedule of Expenditures – Budget and Actual (Cont.)

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance from Final Budget Over (Under)	2015 Actual
Public Safety (Cont.)				
Police Department (Cont.)				
Commodities (Cont.)				
Prisoners' Care	2,608	1,776	(832)	2,248
Operating Supplies	9,868	2,996	(6,872)	2,514
Radios	12,095	2,464	(9,631)	5,034
Firearms and Range Supplies	15,440	10,583	(4,857)	11,225
Evidence Supplies	6,100	2,584	(3,516)	4,324
DUI Expenditures	3,800	3,585	(215)	1,239
Drug Forfeiture Expenditures	6,000	2,430	(3,570)	3,002
Article 36 Expenditures	8,000	7,586	(414)	8,975
Total Commodities	150,600	107,306	(43,294)	121,566
Total Police Department	5,290,339	5,174,371	(115,968)	5,044,453
Fire Department				
Personal Services				
Salaries - Sworn	1,911,116	1,873,807	(37,309)	1,821,724
Salaries - Regular	61,125	62,200	1,075	27,992
Specialist Pay	125,448	125,345	(103)	120,707
Holiday Pay	75,742	76,167	425	70,420
Overtime Pay	170,000	152,031	(17,969)	259,606
Compensated Absences - Retirement	46,300	184,601	138,301	133,836
Educational Incentives	14,500	15,300	800	14,800
Insurance Refusal Reimbursement		1,875	1,875	2,375
ICMA Retirement Contract	7,947	8,073	126	7,788
FICA	3,827	3,742	(85)	1,440
Medicare	32,395	30,983	(1,412)	29,133
IMRF	7,573	7,411	(162)	2,907
Fringe Benefits	1,800	1,650	(150)	1,425
Health Insurance	303,975	291,545	(12,430)	299,559
Health Insurance - Retirees	17,270	16,539	(731)	23,192
Life Insurance	1,227	1,550	323	1,488
HDHP Contributions	62,106	45,931	(16,175)	55,340
Contribution to Fire Pension	988,150	946,756	(41,394)	822,631
Total Personal Services	3,830,501	3,845,506	15,005	3,696,363
Contractual Services				
Communications	5,300	3,299	(2,001)	2,204
Data Processing	5,126	4,826	(300)	1,320
Maintenance of Equipment	7,500	3,022	(4,478)	4,956
Maintenance of Vehicles	38,000	55,497	17,497	43,472
Maintenance of Office Equipment	500		(500)	
Maintenance of Buildings	1,750	3,283	1,533	766
Training	14,950	6,213	(8,737)	15,955

(Cont.)

**VILLAGE OF RIVER FOREST, ILLINOIS**

General Fund

Schedule of Expenditures – Budget and Actual (Cont.)

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance from Final Budget Over (Under)	2015 Actual
Public Safety (Cont.)				
Fire Department (Cont.)				
Contractual Services (Cont.)				
Community Support Services	15,200	14,889	(311)	14,019
Travel and Meeting Expense	5,300	2,790	(2,510)	1,329
Dues and Subscriptions	3,690	2,808	(882)	2,842
Medical Examination	16,280	543	(15,737)	7,692
Total Contractual Services	113,596	97,170	(16,426)	94,555
Commodities				
Office Supplies	2,000	1,445	(555)	1,061
Gas and Oil	14,953	10,091	(4,862)	11,950
Uniforms	18,500	20,129	1,629	17,292
Operating Supplies	23,300	25,266	1,966	17,025
Total Commodities	58,753	56,931	(1,822)	47,328
Total Fire Department	4,002,850	3,999,607	(3,243)	3,838,246
Total Public Safety	9,293,189	9,173,978	(119,211)	8,882,699
Public Works				
Administration and Operations				
Personal Services				
Salaries	455,703	441,985	(13,718)	408,569
Certification Pay	7,800	7,950	150	7,970
Overtime Pay	50,000	34,600	(15,400)	46,891
Temporary Help	7,600	2,682	(4,918)	9,468
FICA	32,265	29,821	(2,444)	28,747
Medicare	7,546	6,974	(572)	6,723
IMRF	63,120	58,296	(4,824)	58,804
Fringe Benefits	4,080	4,379	299	4,342
Health Insurance	107,355	106,388	(967)	120,083
Health Insurance - Retirees	13,644	12,759	(885)	2,930
Life Insurance	191	200	9	242
HDHP Contribution	2,594	3,195	601	2,897
Total Personal Services	751,898	709,229	(42,669)	697,666
Contractual Services				
Communications	2,890	1,261	(1,629)	3,154
Consulting Services	16,500	13,477	(3,023)	16,200
Data Processing	23,928	24,353	425	268
JULIE Participation	608	1,834	1,226	1,236
Maintenance of Equipment	3,000	1,536	(1,464)	4,738
Maintenance of Vehicles	16,500	16,400	(100)	29,426
Maintenance Traffic/Street Lights	35,380	84,551	49,171	40,881

(Cont.)

**VILLAGE OF RIVER FOREST, ILLINOIS**

General Fund

Schedule of Expenditures – Budget and Actual (Cont.)

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance from Final Budget Over (Under)	2015 Actual
Public Works (Cont.)				
Administration and Operations (Cont.)				
Contractual Services (Cont.)				
Tree Maintenance	62,530	62,301	(229)	203,939
Maintenance Buildings and Grounds	56,910	56,254	(656)	73,356
Maintenance Sidewalks	55,000	49,029	(5,971)	53,449
Maintenance Streets	148,000	147,494	(506)	141,444
Training	1,500	480	(1,020)	508
Travel and Meeting Expense	6,070	4,205	(1,865)	3,708
Dues and Subscriptions	2,530	1,700	(830)	2,559
Medical Examinations	1,550	1,095	(455)	645
Advertising/Legal Notice	1,500	826	(674)	1,401
Dumping Fees	13,000	8,808	(4,192)	18,197
Small Claims	40,000	24,874	(15,126)	35,370
Street Light Electricity	43,200	45,488	2,288	46,343
Total Contractual Services	530,596	545,966	15,370	676,822
Commodities				
Office Supplies	500	1,071	571	805
Gas and Oil	15,615	15,428	(187)	23,175
Uniforms	5,575	4,554	(1,021)	4,988
Vehicle Parts	10,000	6,000	(4,000)	7,865
Operating Equipment	40,570	36,237	(4,333)	45,545
Trees	62,470	57,387	(5,083)	49,860
Snow and Ice Control	39,500	38,800	(700)	45,861
Total Commodities	174,230	159,477	(14,753)	178,099
Total Public Works	1,456,724	1,414,672	(42,052)	1,552,587
Sanitation				
Contractual Services				
Collection and Disposal	947,535	962,352	14,817	897,066
Leaf Disposal	68,437	69,829	1,392	49,685
Total Contractual Services	1,015,972	1,032,181	16,209	946,751
Commodities				
Operating Supplies	2,000		(2,000)	907
Total Sanitation	1,017,972	1,032,181	14,209	947,658
Total Expenditures	\$ 14,445,177	14,270,842	(174,335)	13,926,760

## **SPECIAL REVENUE FUND**

**Motor Fuel Tax Fund (Nonmajor Fund) is used to account for the activities involved with street maintenance, improvements and construction. Financing is provided by the Village's share of State gasoline taxes. State law requires these gasoline taxes to be used to maintain streets.**



**VILLAGE OF RIVER FOREST, ILLINOIS**

Motor Fuel Tax Fund

Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance with Final Budget Over (Under)	2015 Actual
Revenues				
Intergovernmental	\$ 265,894	285,767	19,873	374,848
Investment Income	1,421	755	(666)	1,379
Total Revenues	<u>267,315</u>	<u>286,522</u>	<u>19,207</u>	<u>376,227</u>
Expenditures				
Current				
Highway and Streets	<u>524,037</u>	<u>513,450</u>	<u>(10,587)</u>	<u>195,174</u>
Net Change in Fund Balance	<u>\$ (256,722)</u>	<u>(226,928)</u>	<u>29,794</u>	181,053
Fund Balance				
Beginning		<u>835,809</u>		<u>654,756</u>
Ending		<u>608,881</u>		<u>835,809</u>

## **DEBT SERVICE FUND**

**Alternate Revenue Debt Service Fund (Nonmajor Fund) is used to account for the accumulation of resources for the payment of the General Obligation Bond Series 2005 and 2008A. The 2005 and 2008A series bonds were issued to finance Library building improvements and Village street improvements, respectively. Financing is provided by property taxes.**

**VILLAGE OF RIVER FOREST, ILLINOIS**

Alternate Revenue Debt Service Fund

Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance with Final Budget Over (Under)	2015 Actual
Revenues				
Taxes	\$ 125,572	240,702	115,130	221,687
Investment Income	100	283	183	(2,417)
Total Revenues	<u>125,672</u>	<u>240,985</u>	<u>115,313</u>	<u>219,270</u>
Expenditures				
Debt Service				
Principal	205,000	205,000		200,000
Interest	13,278	12,253	(1,025)	19,683
Total Expenditures	<u>218,278</u>	<u>217,253</u>	<u>(1,025)</u>	<u>219,683</u>
Net Change in Fund Balance	<u>\$ (92,606)</u>	23,732	<u>116,338</u>	(413)
Fund Balance				
Beginning		<u>149,078</u>		<u>149,491</u>
Ending		<u><u>172,810</u></u>		<u><u>149,078</u></u>

## **CAPITAL PROJECTS FUNDS**

**Economic Development Fund (Nonmajor Fund) is used to account for previous commitments entered into by the Village from funds originally received through the previous Tax Increment Financing (TIF) Economic Development Fund.**

**Capital Equipment Replacement Fund (Major Fund) is used to account for financial resources to be used for the replacement of equipment.**

**Capital Improvement Fund (Nonmajor Fund) is a fund used to account for various infrastructure improvements including alleys, commuter parking lots and streets. Financing is provided by red light camera revenue, grants and parking lot fees.**

**VILLAGE OF RIVER FOREST, ILLINOIS**

Economic Development Fund

Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance with Final Budget Over (Under)	2015 Actual
Revenues				
Intergovernmental	\$	1,597	1,597	570
Investment Income	2,500	4,828	2,328	(44,028)
Total Revenues	<u>2,500</u>	<u>6,425</u>	<u>3,925</u>	<u>(43,458)</u>
Expenditures				
Current				
Development	2,154,500	196,020	(1,958,480)	98,794
Net Change in Fund Balance	<u>\$ (2,152,000)</u>	(189,595)	<u>1,962,405</u>	(142,252)
Fund Balance				
Beginning		<u>2,289,663</u>		<u>2,431,915</u>
Ending		<u>2,100,068</u>		<u>2,289,663</u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Capital Equipment Replacement Fund (Major Fund)

Schedule of Revenues, Expenses and Changes in  
Fund Balance – Budget and Actual

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance with Final Budget Over (Under)	2015 Actual
Revenues				
Intergovernmental	\$	10,718	10,718	
Investment Income	20,000	25,542	5,542	50,232
Miscellaneous	5,000	4,999	(1)	5,000
Total Revenues	<u>25,000</u>	<u>41,259</u>	<u>16,259</u>	<u>55,232</u>
Expenditures				
Capital Outlay	<u>1,466,834</u>	<u>471,322</u>	<u>(995,512)</u>	<u>338,801</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,441,834)</u>	<u>(430,063)</u>	<u>1,011,771</u>	<u>(283,569)</u>
Other Financing Sources				
Transfers In	522,442	461,547	(60,895)	465,423
Sale of Capital Assets	20,000	36,832	16,832	103,722
Total Other Financing Sources	<u>542,442</u>	<u>498,379</u>	<u>(44,063)</u>	<u>569,145</u>
Net Change in Fund Balance	<u>\$ (899,392)</u>	<u>68,316</u>	<u>967,708</u>	<u>285,576</u>
Fund Balance				
Beginning		<u>3,634,606</u>		<u>3,349,030</u>
Ending		<u>3,702,922</u>		<u>3,634,606</u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Capital Improvement Fund

Schedule of Revenues, Expenses and Changes in  
Fund Balance - Budget and Actual

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	Actual	Variance with Final Budget Over (Under)	2015 Actual
<b>Revenues</b>				
Intergovernmental	\$ 564,354	25,000	(539,354)	51,298
Charges for Services	58,833	63,628	4,795	61,590
Fines and Forfeits				
Automated Traffic Signal Enforcement	500,000	909,062	409,062	772,425
Investment Income	3,000	7,186	4,186	(6,529)
<b>Total Revenues</b>	<u>1,126,187</u>	<u>1,004,876</u>	<u>(121,311)</u>	<u>878,784</u>
<b>Expenditures</b>				
Current				
General Government		12,000		
Capital Outlay	1,291,537	861,345	(952,969)	320,441
	<u>1,291,537</u>	<u>873,345</u>	<u>(952,969)</u>	<u>320,441</u>
<b>Net Change in Fund Balance</b>	<u>\$ (165,350)</u>	131,531	<u>831,658</u>	558,343
<b>Fund Balance</b>				
Beginning		<u>1,185,539</u>		<u>627,196</u>
Ending		<u>1,317,070</u>		<u>1,185,539</u>

**PROPRIETARY FUND TYPE**



## **ENTERPRISE FUND**

**Waterworks and Sewerage Fund (Major Fund) is used to account for the provision of water services, sewer repair, and improvement services to the residents of the Village of River Forest. All activities necessary to provide such services are accounted for in this Fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing collection.**

**VILLAGE OF RIVER FOREST, ILLINOIS**

Waterworks and Sewerage Fund

Schedule of Revenues, Expenses and Changes in  
Net Position – Budget and Actual (GAAP and Budgetary Basis)

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance with Final Budget Over (Under)	2015 Actual
<b>Operating Revenues</b>				
Charges for Services				
Water Sales	\$ 3,098,236	2,870,319	(227,917)	2,737,726
Sewer Charges	1,887,703	1,696,090	(191,613)	1,326,488
Sales of Meters	4,000	3,292	(708)	5,615
Total Operating Revenues	4,989,939	4,569,701	(420,238)	4,069,829
<b>Operating Expenses, Excluding Depreciation</b>				
Personal Services				
Salaries Regular	596,389	625,065	28,676	589,559
Specialists Pay	2,100	2,100		2,100
Overtime	12,000	4,815	(7,185)	9,875
Insurance Refusal Reimb	300	238	(62)	300
Part-Time Salaries	14,800	16,105	1,305	12,018
FICA	38,356	39,849	1,493	36,760
Medicare	9,067	9,429	362	8,675
IMRF	75,032	77,929	2,897	75,786
IMRF Net Pension Obligation				1,393
Fringe Benefits	4,420	4,816	396	4,738
Health Insurance	134,199	133,781	(418)	127,324
Health Insurance - Retirees	3,124	3,254	130	4,315
Other Post Employment Benefits		5,825	5,825	6,193
Life Insurance	272	367	95	309
HDHP Contributions	7,806	7,902	96	6,954
Total Personal	897,865	931,475	33,610	886,299
Contractual Services				
Electricity	33,600	33,553	(47)	30,755
Communications	4,680	5,612	932	5,358
Auditing	10,028	10,528	500	9,735
Consulting Services	46,000	37,826	(8,174)	
IT Support	37,721	42,462	4,741	11,965
Inspections	1,100		(1,100)	
JULIE Participation	1,418	1,834	416	1,236
Bank Fees	10,243	13,898	3,655	9,340
Liability Insurance	36,212	33,562	(2,650)	27,408
Water System Maintenance	125,500	103,618	(21,882)	174,138
Hydrant Maintenance	28,000	12,914	(15,086)	
Maintenance of Vehicles	7,000	17,698	10,698	2,065
Maintenance of Office Equipment	500	1,592	1,092	1,106
Maintenance of Buildings	14,750	6,795	(7,955)	9,644
Maintenance of Streets	32,000	17,232	(14,768)	13,103
Overhead Sewer Program	59,000	114,451	55,451	134,470

**VILLAGE OF RIVER FOREST, ILLINOIS**

Waterworks and Sewerage Fund

Schedule of Revenues, Expenses and Changes in  
Net Position – Budget and Actual (Cont.)

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance with Final Budget Over (Under)	2015 Actual
Operating Expenses, Excluding Depreciation (Cont.)				
Contractual Services (Cont.)				
Sewer/Catch Basin Repair	45,000	33,484	(11,516)	59,054
Training	1,050		(1,050)	410
Travel & Meeting	2,250	1,784	(466)	813
Dues & Subscriptions	1,460	1,542	82	1,230
Printing	6,309	5,573	(736)	5,393
Medical & Screening	700		(700)	
Water Testing	7,610	6,410	(1,200)	4,136
Advertising/Legal Notice	500	301	(199)	2,554
Dumping Fees	18,000	12,052	(5,948)	18,550
Damage Claims	2,500	33,126	30,626	10,421
Total Contractual Services	<u>533,131</u>	<u>547,847</u>	<u>14,716</u>	<u>532,884</u>
Commodities				
Office Supplies	500	223	(277)	328
Gas & Oil	16,065	10,065	(6,000)	12,976
Uniforms	1,475	800	(675)	675
Vehicle Parts	7,000	13,452	6,452	4,570
Operating Supplies	56,500	70,458	13,958	47,040
Postage	8,100	8,639	539	8,568
Water from Chicago	1,687,480	1,518,006	(169,474)	1,395,027
Total Commodities	<u>1,777,120</u>	<u>1,621,643</u>	<u>(155,477)</u>	<u>1,469,184</u>
Capital Outlay				
Building Improvements	54,500	38,620	(15,880)	17,100
Sewer System Improvements	13,964,000	13,958,887	(5,113)	2,295,258
Water System Improvements	375,000	43,212	(331,788)	552,133
Meter Replacement Program	24,000	22,458	(1,542)	18,341
Street Improvements	70,000	65,307	(4,693)	33,018
Total Capital Outlay	<u>14,487,500</u>	<u>14,128,484</u>	<u>(359,016)</u>	<u>2,915,850</u>
Total Operating Expenses, Excluding Depreciation	<u>\$ 17,695,616</u>	<u>17,229,449</u>	<u>(466,167)</u>	<u>5,804,217</u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Waterworks and Sewerage Fund

Schedule of Revenues, Expenses and Changes in  
Net Position – Budget and Actual (Cont.)

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance with Final Budget Over (Under)	2015 Actual
Reconciliation of Budgetary Basis Total Operating Expenses, Excluding Depreciation to GAAP Basis Total Operating Expenses, Excluding Depreciation				
Total Operating Expenses, Excluding Depreciation - Budgetary Basis	\$ 17,695,616	17,229,449	(466,167)	5,804,217
Less Fixed Assets Capitalized	(14,339,000)	(13,883,964)	455,036	(2,662,632)
Total Operating Expenses, Excluding Depreciation - GAAP Basis	3,356,616	3,345,485	(11,131)	3,141,585
Operating Income Before Depreciation	1,633,323	1,224,216	(409,107)	928,244
Depreciation	191,520	170,055	(21,465)	164,834
Operating Income	\$ 1,441,803	1,054,161	(387,642)	763,410
Nonoperating Revenues (Expenses)				
Investment Income	\$ 300	2,062	1,762	(18,069)
Principal Payments	(890,210)	(591,522)	298,688	(163,118)
Interest Expense	(202,596)	(162,831)	39,765	(33,922)
Transfer Out	(60,895)		60,895	
Loss on Disposal of Property		(8,192)	(8,192)	8,533
Transfers In		382,300		
Miscellaneous	5,000	25,309	20,309	54
Total Nonoperating Revenues (Expenses)	(1,148,401)	(352,874)	413,227	(206,522)
Change in Net Position - Budgetary Basis	\$ 293,402	701,287	25,585	556,888
Reconciliation of Budgetary Basis Change in Net Position to GAAP Basis Change in Net Position				
Change in Net Position - Budgetary Basis Plus Principal Payments	\$ 293,402 890,210	701,287 591,522	407,885 (298,688)	556,888 163,118
Change in Net Position - GAAP Basis	\$ 1,183,612	1,292,809	109,197	720,006
Net Position				
Net Position, Beginning of Year, as Previously Reported		7,461,745		6,741,739
Restatement (Note 16)		(113,656)		
Net Position, Beginning of Year, as Restated		7,348,089		6,741,739
Ending		8,640,898		7,461,745

**FIDUCIARY FUND TYPE**

## **TRUST FUNDS**

**Police Pension Fund is used to account for the accumulation of resources to pay pension costs. Resources are contributed by police force members at rates fixed by state statutes and the Village through an annual property tax levy.**

**Firefighters' Pension Fund is used to account for the accumulation of resources to pay pension costs. Resources are contributed by fire personnel members at rates fixed by state statutes and by the Village through an annual property tax levy.**

**VILLAGE OF RIVER FOREST, ILLINOIS**

Police Pension Trust Fund

Schedule of Changes in Fiduciary Net Position – Budget and Actual

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance with Final Budget Over (Under)	2015 Actual
<b>Additions</b>				
Contributions				
Participant Contributions	\$ 271,014	258,151	(12,863)	228,802
Employer Contributions	1,204,822	1,130,516	(74,306)	1,098,682
	<u>1,475,836</u>	<u>1,388,667</u>	<u>(87,169)</u>	<u>1,327,484</u>
Investment Income (Loss)				
Net Appreciation (Depreciation) in Fair Value of Investments	1,054,903	(481,376)	(1,536,279)	918,826
Interest and Dividends	493,242	335,289	(157,953)	697,223
	<u>1,548,145</u>	<u>(146,087)</u>	<u>(1,694,232)</u>	<u>1,616,049</u>
Less Investment Expense	48,700	30,258	18,442	46,522
Net Investment Income (Loss)	<u>1,499,445</u>	<u>(176,345)</u>	<u>(1,675,790)</u>	<u>1,569,527</u>
Total Additions	<u>2,975,281</u>	<u>1,212,322</u>	<u>(1,762,959)</u>	<u>2,897,011</u>
<b>Deductions</b>				
Benefits	2,128,797	2,060,037	(68,760)	1,902,065
Administrative Expense	67,532	62,316	(5,216)	45,915
Total Deductions	<u>2,196,329</u>	<u>2,122,353</u>	<u>(73,976)</u>	<u>1,947,980</u>
Change in Net Position	<u>\$ 778,952</u>	(910,031)	<u>(1,688,983)</u>	949,031
<b>Net Position</b>				
Beginning		<u>21,571,558</u>		<u>20,622,527</u>
Ending		<u>20,661,527</u>		<u>21,571,558</u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Firefighters' Pension Trust Fund

Schedule of Changes in Fiduciary Net Position – Budget and Actual

Year Ended April 30, 2016

With Comparative Actual for the Year Ended April 30, 2015

	Final Budget	2016 Actual	Variance with Final Budget Over (Under)	2015 Actual
<b>Additions</b>				
Contributions				
Participant Contributions	\$ 188,117	184,123	(3,994)	184,809
Employer Contributions	988,150	946,756	(41,394)	822,631
	<u>1,176,267</u>	<u>1,130,879</u>	<u>(45,388)</u>	<u>1,007,440</u>
Investment Income (Loss)				
Net Appreciation (Depreciation) in				
Fair Value of Investments	767,093	(1,168,674)	(1,935,767)	156,389
Interest and Dividends	233,762	379,300	145,538	504,024
	<u>1,000,855</u>	<u>(789,374)</u>	<u>(1,790,229)</u>	<u>660,413</u>
Less Investment Expense	55,500	56,610	(1,110)	60,884
Net Investment Income (Loss)	<u>945,355</u>	<u>(845,984)</u>	<u>(1,791,339)</u>	<u>599,529</u>
Total Additions	<u>2,121,622</u>	<u>284,895</u>	<u>(1,836,727)</u>	<u>1,606,969</u>
<b>Deductions</b>				
Benefits	1,545,257	1,382,009	(163,248)	1,339,397
Administrative Expense	37,572	50,589	13,017	33,720
Total Deductions	<u>1,582,829</u>	<u>1,432,598</u>	<u>(150,231)</u>	<u>1,373,117</u>
Change in Net Position	<u>\$ 538,793</u>	<u>(1,147,703)</u>	<u>(1,686,496)</u>	<u>233,852</u>
<b>Net Position</b>				
Beginning		<u>15,288,268</u>		<u>15,054,416</u>
Ending		<u>14,140,565</u>		<u>15,288,268</u>



**CAPITAL ASSETS USED IN THE  
OPERATION OF GOVERNMENTAL FUNDS**

**VILLAGE OF RIVER FOREST, ILLINOIS**

Capital Assets Used in the Operations of Governmental Funds

Schedule of Capital Assets by Source

April 30, 2016

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Governmental Funds Capital Assets

Land	\$ 1,139,497
Right of Ways	3,826,453
Buildings	4,833,404
Vehicles and Equipment	4,168,439
Infrastructure	<u>12,625,071</u>

Total Governmental Funds Capital Assets \$ 26,592,864

Investments in Governmental Funds Capital Assets by Source

From Current Revenues \$ 26,592,864

**VILLAGE OF RIVER FOREST, ILLINOIS**

Capital Assets Used in the Operations of Governmental Funds

Schedule by Function and Activity

April 30, 2016

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	General Government	Public Safety	Highway and Streets	Public Works	Total
Land	\$ 1,139,497				1,139,497
Right of Ways			3,826,453		3,826,453
Buildings	4,599,747	81,157		152,500	4,833,404
Vehicles and Equipment	248,143	2,869,635		1,050,661	4,168,439
Infrastructure			12,625,071		12,625,071
	<u>\$ 5,987,387</u>	<u>2,950,792</u>	<u>16,451,524</u>	<u>1,203,161</u>	<u>26,592,864</u>

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**VILLAGE OF RIVER FOREST, ILLINOIS**

Capital Assets Used in the Operations of Governmental Funds

Schedule of Changes by Function and Activity  
Year Ended April 30, 2016

	May 1, 2015	Additions	Deletions	Transfers	April 30, 2016
General Government	\$ 5,987,387				5,987,387
Public Safety	2,989,632	144,024	182,864		2,950,792
Highways and Streets	16,242,251	532,604	323,331		16,451,524
Public Works	1,087,549	143,666	28,054		1,203,161
	<u>\$ 26,306,819</u>	<u>820,294</u>	<u>534,249</u>	<u>-</u>	<u>26,592,864</u>

## **SUPPLEMENTAL DATA**

**VILLAGE OF RIVER FOREST, ILLINOIS**

Long-Term Debt Requirements

General Obligation (Limited Tax) Bonds, Series 2005

April 30, 2016

Date of Issue	June 1, 2005
Date of Maturity	December 1, 2017
Authorized Issue	\$490,000
Interest Rate	3.50% - 4.15%
Interest Dates	June 1 and December 1
Payable at	Amalgamated Bank of Chicago
Purpose	Library Improvements

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2015	\$ 50,000	4,150	54,150	2016	2,075	2016	2,075
2016	50,000	2,074	52,074	2017	1,037	2017	1,037
	<u>\$ 100,000</u>	<u>6,224</u>	<u>106,224</u>		<u>3,112</u>		<u>3,112</u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Long-Term Debt Requirements

General Obligation (Limited Tax) Bonds, Series 2016

April 30, 2016

Date of Issue	February 24, 2016
Date of Maturity	December 1, 2017
Authorized Issue	\$382,300
Interest Rate	1.25%
Interest Dates	December 1
Purpose	Bank Loan Payment

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due On	
	Principal	Interest	Totals	Dec. 1	Amount
2015	\$ 189,480	3,677	193,157	2016	3,677
2016	192,820	2,410	195,230	2017	2,410
	<u>\$ 382,300</u>	<u>6,087</u>	<u>388,387</u>		<u>6,087</u>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Long-Term Debt Requirements

General Obligation (Water & Sewer ARS) Bonds, Series 2008B

April 30, 2016

Date of Issue	December 15, 2008
Date of Maturity	December 1, 2018
Authorized Issue	\$1,355,000
Interest Rate	2.75% - 4.10%
Interest Dates	June 1 and December 1
Payable at	Deutsche Bank National Trust Company
Purpose	Water Meter Replacements

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2017	\$ 160,000	19,650	179,650	2016	9,825	2016	9,825
2018	165,000	13,570	178,570	2017	6,785	2017	6,785
2019	170,000	6,970	176,970	2018	3,485	2018	3,485
	<u>\$ 495,000</u>	<u>40,190</u>	<u>535,190</u>		<u>20,095</u>		<u>20,095</u>



**VILLAGE OF RIVER FOREST, ILLINOIS**

Long-Term Debt Requirements

Community Bank Loan

April 30, 2016

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Date of Issue	September 19, 2014
Date of Maturity	November 15, 2024
Authorized Issue	\$600,000
Interest Rate	2.20%
Interest Dates	February, May, August and November 15
Payable at	Community Bank
Purpose	Sewer Project

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements		Totals
	Principal	Interest	
2017	\$ 51,846	2,844	54,690
2018	52,935	1,755	54,690
2019	45,580	565	46,145
	<u>\$ 150,361</u>	<u>5,164</u>	<u>155,525</u>

**STATISTICAL SECTION**  
**(Unaudited)**

# VILLAGE OF RIVER FOREST, ILLINOIS

## Statistical Section

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This portion of the Village of River Forest 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 economic condition.

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b>	
These schedules contain information to help the reader understand how the Village's financial performance and well-being have changed over time.	121-128
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the Village's most significant local revenue sources, the sales tax and the property tax.	129-137
<b>Debt Capacity</b>	
These schedules contain 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.	138-142
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	143-147
<b>Operating Information</b>	
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.	148-152

### Sources:

*Unless otherwise noted, the information in these schedules is derived from the Village's Comprehensive Annual Financial Reports for the relevant year. The Village implemented GASB Statement 34 in Fiscal Year 2004; schedules presenting government-wide information include information beginning in that year.*

## **FINANCIAL TRENDS**

**VILLAGE OF RIVER FOREST, ILLINOIS**

Net Position by Component

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 17,549,045	17,550,257	17,489,924	16,963,950
Restricted	3,522,426	3,910,388	3,843,897	3,732,052
Unrestricted	(21,075,877)	10,699,288	9,293,650	7,797,449
<b>Total Governmental Activities Net Assets</b>	<b>(4,406)</b>	<b>32,159,933</b>	<b>30,627,471</b>	<b>28,493,451</b>
<b>Business-type Activities</b>				
Net Investment in Capital Assets	6,759,387	6,307,314	4,985,125	4,775,037
Restricted	31,044	31,044	35,000	
Unrestricted	1,850,467	1,123,387	1,721,614	1,428,687
<b>Total Business-type Activities Net Assets</b>	<b>8,640,898</b>	<b>7,461,745</b>	<b>6,741,739</b>	<b>6,203,724</b>
<b>Primary Government</b>				
Net Investment in Capital Assets	24,308,432	23,857,571	22,475,049	21,738,987
Restricted	3,553,470	3,941,432	3,878,897	3,732,052
Unrestricted	(19,225,410)	11,822,675	11,015,264	9,226,136
<b>Total Net Position</b>	<b>\$ 8,636,492</b>	<b>39,621,678</b>	<b>37,369,210</b>	<b>34,697,175</b>

Data Source

Audited Financial Statements

2012	2011	2010	2009	2008	2007
17,117,381	17,028,863	16,505,843	12,863,300	9,177,914	6,062,431
3,270,398	3,837,090	7,404,892	10,007,290	10,694,552	9,836,089
6,882,014	5,921,662	4,984,369	3,841,809	3,996,317	4,188,890
27,269,793	26,787,615	28,895,104	26,712,399	23,868,783	20,087,410
4,682,056	4,588,385	4,781,583	4,182,910	5,244,490	5,114,946
1,083,706	1,140,252	991,038	1,805,129	949,805	953,021
5,765,762	5,728,637	5,772,621	5,988,039	6,194,295	6,067,967
21,799,437	21,617,248	21,287,426	17,046,210	14,422,404	11,177,377
3,270,398	3,837,090	7,404,892	10,007,290	11,255,587	9,836,089
7,965,720	7,061,914	5,975,407	5,646,938	4,385,087	5,141,911
33,035,555	32,516,252	34,667,725	32,700,438	30,063,078	26,155,377

**VILLAGE OF RIVER FOREST, ILLINOIS**

Changes in Net Position

Last Ten Fiscal Years

Fiscal Year	2016	2015	2014	2013
<b>Governmental Activities</b>				
Governmental Activity Expenses				
General Government	\$ 2,460,334	2,287,249	2,126,040	2,323,003
Development	557,136	387,869	305,332	428,951
Public Safety	11,474,585	9,426,332	9,494,525	8,235,039
Public Works	1,445,697	1,687,482	1,545,709	1,827,429
Highways and Streets	1,371,856	488,021	537,963	775,263
Sanitation	1,032,181	947,658	948,835	873,032
Interest	9,811	16,724	23,685	29,391
Total Governmental Activities Expenses	<u>18,351,600</u>	<u>15,241,335</u>	<u>14,982,089</u>	<u>14,492,108</u>
Governmental Activity Revenues				
Governmental Activities				
Charges for Services				
General Government	1,462,240	1,510,120	1,446,959	1,252,826
Public Safety	1,600,463	1,495,617	1,361,306	614,867
Sanitation	947,369	895,892	881,518	864,918
Operating Grants and Contributions	347,607	659,933	999,002	520,829
Capital Grants and Contributions	316,519			
Total Governmental Activities Program Revenues	<u>4,674,198</u>	<u>4,561,562</u>	<u>4,688,785</u>	<u>3,253,440</u>
Net Activity Expense of Governmental Activities	<u>(13,677,402)</u>	<u>(10,679,773)</u>	<u>(10,293,304)</u>	<u>(11,238,668)</u>
General Revenues				
Property Taxes	6,396,586	6,288,974	6,252,288	6,043,549
Utility Taxes	559,018	657,968	703,108	638,421
Non Home Rule Sales Tax	885,574	871,224	819,156	784,724
Communications Taxes	342,467	357,535	354,715	430,716
Other Taxes	338,067	337,637	358,573	318,271
Intergovernmental Taxes				
Sales Taxes	1,852,443	1,855,258	1,731,032	1,708,082
Income Taxes	1,190,627	1,094,125	1,088,668	1,006,827
Other Intergovernmental Taxes	475,402	448,870	415,079	398,964
Miscellaneous	268,703	319,459	656,459	564,260
Interest	87,975	(18,815)	48,246	99,496
Transfers	(382,300)			
Total General Revenues	<u>12,014,562</u>	<u>12,212,235</u>	<u>12,427,324</u>	<u>11,993,310</u>
Change in Governmental Net Position	<u>(1,662,840)</u>	<u>1,532,462</u>	<u>2,134,020</u>	<u>754,642</u>
<b>Business-type Activities</b>				
Water and Sewerage Services				
Expenses	3,686,563	3,340,341	3,266,821	3,026,206
Charges for Services	4,569,701	4,069,829	3,765,294	3,461,248
Operating Grants and Contributions			35,000	
General Revenues - Miscellaneous and Interest	27,371	(9,482)	4,542	2,920
Transfers	382,300			
Change in Business-type Net Position	<u>1,292,809</u>	<u>729,488</u>	<u>533,473</u>	<u>435,042</u>
Change in Net Position	<u>\$ (370,031)</u>	<u>2,261,950</u>	<u>2,667,493</u>	<u>1,189,684</u>

*Note:*

- (a) In Fiscal Years 2010 and 2011, the Village declared tax increment finance (TIF) district revenues as surplus and returned it to redistribution to all taxing entities that service the TIF area.

2012	2011	2010	2009	2008	2007
2,197,996	1,888,093	1,843,380	1,808,789	1,729,449	1,548,719
381,135	4,272,988 (a)	5,330,786 (a)	1,823,349	1,749,423	1,487,334
8,392,462	8,072,459	7,667,352	7,427,770	6,408,588	6,847,105
1,719,637	1,192,097	1,444,632	1,598,558	1,795,024	1,706,153
771,378	1,314,666	273,380	822,825	472,075	92,904
845,444	817,146	826,640	887,122	863,132	829,980
34,807	39,758	122,883	190,336	363,003	435,252
14,342,859	17,597,207	17,507,053	14,558,749	13,380,694	12,947,447
1,357,490	1,289,731	1,177,211	1,021,630	939,161	1,207,179
494,604	511,722	451,285	439,907	377,821	364,070
846,480	829,203	853,344	582,590	516,892	449,460
773,028	430,964	366,036	399,941	449,488	379,760
3,471,602	3,061,620	2,847,876	2,444,068	2,283,362	2,400,469
(10,871,257)	(14,535,587)	(14,659,177)	(12,114,681)	(11,097,332)	(10,546,978)
6,066,344	7,113,400	11,076,944	9,439,952	8,816,793	7,218,426
633,425	671,741	621,328	713,256	742,549	678,300
582,803					
458,241	465,157	510,374	516,635	507,336	481,690
62,334	55,782	69,967	68,327	108,057	113,644
1,616,998	1,744,366	1,707,772	781,536	915,419	785,642
914,422	900,398	897,371	1,024,643	1,096,207	1,003,524
603,032	568,597	867,982	2,241,839	1,878,948	3,678,435
360,756	833,164	458,896	114,817	305,059	440,261
55,080	111,638	631,248	57,292	508,337	529,823
11,353,435	12,464,243	16,841,882	14,958,297	14,878,705	14,929,745
482,178	(2,071,344)	2,182,705	2,843,616	3,781,373	4,382,767
2,870,851	2,616,346	2,449,591	2,450,355	2,186,752	2,279,839
2,906,436	2,543,339	2,216,712	2,251,741	2,252,572	2,034,765
1,540	9,585	17,461	(7,642)	60,508	44,300
35,585	(63,422)	(232,879)	(198,614)	65,820	(245,074)
517,763	(2,134,766)	1,949,826	2,645,002	3,847,193	4,137,693



**VILLAGE OF RIVER FOREST, ILLINOIS**

Fund Balances of Governmental Funds

Last Ten Fiscal Years

Fiscal Year	2016	2015	2014	2013
General Fund				
Nonspendable	\$ 2,322,885	2,154,326	1,983,424	1,643,742
Restricted	640,667	635,838	611,678	535,032
Committed				570,699
Unassigned	6,398,258	6,093,311	5,590,013	4,713,973
Total General Fund	9,361,810	8,883,475	8,185,115	7,463,446
All Other Governmental Funds				
Nonspendable			3,943	4,876
Restricted	2,881,759	3,274,550	3,232,219	3,192,144
Committed	5,019,992	4,820,145	3,976,226	2,531,521
Total All Other Governmental Funds	7,901,751	8,094,695	7,212,388	5,728,541
Total Governmental Funds	\$ 17,263,561	16,978,170	15,397,503	13,191,987
Governmental Fund Balances				
Over (Under) Prior Year	\$ 285,391	1,580,667	2,205,516	1,539,358

Notes:

- (a) The Village declared a surplus of tax incremental finance (TIF) area revenues and in 2010 and 2011 returned \$4,113,409 and \$3,266,966, respectively, to the State and to the County for redistribution to all taxing entities that serve the TIF area.

The governmental fund balances for the TIF Funds have been reduced to zero due to the TIF District closing effective December 31, 2010. The balance remaining in the TIF funds was transferred to the TIF Economic Development Fund.

2012	2011	2010	2009	2008	2007
1,301,792	1,287,689	837,499	685,725	961,261	1,189,285
535,032	535,032	535,032	535,032	535,032	535,032
516,516	462,828	409,627	399,932	349,930	296,940
3,730,135	3,150,642	2,893,157	645,676	1,485,953	1,794,109
6,083,475	5,436,191	4,675,315	2,266,365	3,332,176	3,815,366
	6,662	5,032	2,896	3,506	
3,270,398	3,830,428	6,669,028	10,558,304	11,255,587	9,774,814
2,298,756	1,691,305	1,398,063	1,936,559	877,606	1,276,423
5,569,154	5,528,395	8,072,123	12,497,759	12,136,699	11,051,237
11,652,629	10,964,586	12,747,438	14,764,124	15,468,875	14,866,603
688,043	(1,782,852)	(2,016,686)	(704,751)	602,272	14,866,603
(a)	(a)				

**VILLAGE OF RIVER FOREST, ILLINOIS**

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

Fiscal Year	2016	2015	2014	2013	2012
<b>Revenues</b>					
Local Taxes					
Property Taxes	\$ 6,396,586	6,288,974	6,252,288	6,043,549	6,066,344
Utility Taxes	559,018	657,968	703,108	638,421	633,425
Non Home Rule Sales Tax	885,574	871,224	819,156	784,724	582,803
Communications Taxes	342,467	357,535	354,715	430,716	458,241
Other Taxes	338,067	337,637	358,573	318,271	62,334
Intergovernmental	3,616,562	3,522,727	3,234,779	3,276,568	3,581,164
Licenses and Permits	1,117,850	1,089,895	1,039,249	908,504	993,956
Grants	285,767	338,260	999,002	358,134	326,316
Charges for Services	1,702,203	1,663,283	1,608,188	1,462,982	1,430,222
Fines and Frfeits	1,190,019	1,148,451	1,042,346	361,125	274,396
Interest	87,975	(18,815)	48,246	55,366	55,080
Miscellaneous	268,703	319,459	648,909	621,140	346,787
Total Revenues	<u>16,790,791</u>	<u>16,576,598</u>	<u>17,108,559</u>	<u>15,259,500</u>	<u>14,811,068</u>
<b>Expenditures</b>					
Current					
General Government	2,300,895	2,172,163	2,016,560	2,246,443	2,020,871
Development	361,116	387,869	305,332	428,951	381,135
Public Safety	9,173,978	8,882,699	8,681,795	7,455,368	7,990,189
Public Works	1,414,672	1,552,587	1,526,684	1,788,908	1,398,745
Highways and Streets	513,450	195,174	257,991	513,744	518,007
Sanitation	1,032,181	947,658	948,835	873,032	845,444
Miscellaneous					
Debt Service					
Principal Payments	205,000	200,000	195,000	190,000	185,000
Interest and Fees	12,253	19,683	26,322	31,776	37,001
Capital Outlay	1,528,687	741,820	952,074	236,050	774,434
Total Expenditures	<u>16,542,232</u>	<u>15,099,653</u>	<u>14,910,593</u>	<u>13,764,272</u>	<u>14,150,826</u>
Excess (Deficiency) of Revenues over Expenditures	<u>248,559</u>	<u>1,476,945</u>	<u>2,197,966</u>	<u>1,495,228</u>	<u>660,242</u>
<b>Other Financing Sources (Uses)</b>					
Bond Proceeds	382,300				
Sale of Capital Assets	36,832	103,722	7,550	44,130	27,801
Transfers In	461,547	465,423	1,051,857	338,088	888,347
Transfers Out	(843,847)	(465,423)	(1,051,857)	(338,088)	(888,347)
Total Other Financing Sources (Uses)	<u>36,832</u>	<u>103,722</u>	<u>7,550</u>	<u>44,130</u>	<u>27,801</u>
Net Change in Fund Balance	<u>\$ 285,391</u>	<u>1,580,667</u>	<u>2,205,516</u>	<u>1,539,358</u>	<u>688,043</u>
Debt Service as a Percentage of Non-capital Expenditures	<u>1.4%</u>	<u>1.5%</u>	<u>1.6%</u>	<u>1.7%</u>	<u>1.7%</u>

Note:

- (a) In fiscal year 2011, only the second installment of 2009 property taxes was received in the TIF pledged taxes fund. The TIF District was closed effective December 31, 2010.

	2011	2010	2009	2008	2007
(a)	7,113,400	11,076,944	9,439,952	8,816,793	9,007,592
	671,741	621,328	713,256	742,549	678,300
	465,157	510,374	516,635	507,336	481,690
	55,782	69,967	68,327	108,057	113,644
	3,700,048	3,473,125	4,048,018	4,215,397	4,032,667
	406,691	817,869	729,008	691,047	956,322
	409,434	366,036	399,941	124,665	25,528
	1,476,155	1,408,020	1,086,744	966,788	885,357
	282,653	255,951	228,375	176,039	179,030
	111,638	284,278	57,292	508,337	529,823
	811,582	798,479	114,817	55,059	440,261
	15,504,281	19,682,371	17,402,365	16,912,067	17,330,214
	1,873,360	1,717,393	1,808,789	1,691,030	1,856,107
	4,123,278	5,317,329	1,820,015	1,381,012	1,058,621
	8,154,593	7,425,037	7,058,708	6,726,613	6,541,156
	1,297,184	1,192,097	1,598,558	1,795,024	1,706,153
	477,823	269,891	585,216	264,304	317,226
	817,146	826,640	887,122	863,132	829,980
			31,207		
	180,000	3,140,000	4,575,000	2,070,000	1,880,000
	41,671	173,774	255,258	392,952	465,505
	1,598,590	661,676	522,243	1,375,728	511,495
	18,563,645	20,723,747	19,142,116	16,559,795	15,166,243
	(3,059,364)	(1,041,376)	(1,739,751)	352,272	2,163,971
			1,035,000		
	21,582	7,387		250,000	
	4,543,412	4,053,662	3,615,216	2,731,189	1,784,315
	(4,543,412)	(4,053,662)	(3,615,216)	(2,731,189)	(1,784,315)
	21,582	7,387	1,035,000	250,000	-
	(3,037,782)	(1,033,989)	(704,751)	602,272	2,163,971
	1.3%	16.6%	25.9%	16.2%	16.0%

## **REVENUE CAPACITY**

**VILLAGE OF RIVER FOREST, ILLINOIS**

Equalized Assessed Value of Taxable Property

Last Ten Levy Years

Tax Levy Year	Residential		Commercial		Industrial/Railroad		Total Assessed Value
	Amount	% of Total Assessed Value	Amount	% of Total Assessed Value	Amount	% of Total Assessed Value	
2015	\$						
2014	162,447,990	89.6%	18,530,942	10.2%	430,763	0.2%	181,409,695
2013							
2012	170,256,632	90.2%	17,159,151	9.1%	1,296,420	0.7%	188,712,203
2011							
2010	192,112,346	90.0%	20,321,761	9.5%	980,904	0.5%	213,415,011
2009							190,300,845
2008	231,060,928	91.5%	21,234,090	8.4%	254,274	0.1%	252,549,292
2007							
2006							

*Notes:*

Property in the Village is reassessed by the County every three years.

Refer to the Property Tax Rates - Direct and Overlapping Governments schedule for additional property tax rate information.

Equalized Assessed Value - The State of Illinois calculates an equalization factor each year to bring the assessed value of property to 1/3.

The equalization factor is calculated by the State Department of Revenue and is used to make the aggregate assessments in each county equal to 33 1/3 of the estimated fair value of real property located within the county prior to any applicable exemptions.

Data Source

Cook County Clerk's Office - [www.cookcountyclerk.com/tsd/taxagencyreports](http://www.cookcountyclerk.com/tsd/taxagencyreports)

Village Property Tax Rate	Equalization Factor	Total Equalized Assessed Value	Total Estimated Value of Property (in thousands)
1.389 %	2.6685	470,348,398	1,411,045
1.319	2.7253	488,390,939	1,465,173
1.286	2.6621	493,186,293	1,479,559
1.175	2.8056	529,450,956	1,588,353
1.051	2.9706	573,104,464	1,719,313
0.840	3.3000	704,269,535	2,112,809
0.820	3.3701	641,332,879	1,923,999
0.880	2.9786	596,926,880	1,790,781
0.965	2.8439	515,665,926	1,546,998
0.979	2.7076	491,723,633	1,475,171

**VILLAGE OF RIVER FOREST, ILLINOIS**

Property Tax Rates - Direct and Overlapping Governments  
(Per \$100 Assessed Valuation)

Last Ten Levy Years

Tax Levy Year	2015	2014	2013	2012	2011	2010
Calendar Year Collected	2016	2015	2014	2013	2012	2011
Corporate	1.334	1.272	1.239	1.131	1.010	0.807
Debt Service	0.055	0.047	0.047	0.044	0.041	0.033
<b>Village of River Forest</b>	<b>1.389</b>	<b>1.319</b>	<b>1.286</b>	<b>1.175</b>	<b>1.051</b>	<b>0.840</b>
School Districts	8.643	7.539	7.559	7.467	6.960	5.665
Cook County	0.552	0.568	0.560	0.531	0.462	0.423
Park District	0.331	0.316	0.307	0.279	0.249	0.209
Water Reclamation	0.426	0.430	0.417	0.370	0.320	0.274
Public Library	0.258	0.246	0.239	0.218	0.195	0.155
Township	0.124	0.119	0.115	0.104	0.093	0.075
Other (1)	0.120	0.085	0.116	0.078	0.097	0.062
	<b>11.843</b>	<b>10.622</b>	<b>10.599</b>	<b>10.222</b>	<b>9.427</b>	<b>7.703</b>

*Note:*

(1) "Other" includes Consolidated Elections, Cook County Forest Preserve, and Des Plaines Valley Mosquito Abatement District.

Data Source

Cook County Clerk's Office



2009 2010	2008 2009	2007 2008	2006 2007
0.784	0.841	0.926	0.939
0.036	0.039	0.039	0.040
<b>0.820</b>	<b>0.880</b>	<b>0.965</b>	<b>0.979</b>
5.502	5.843	6.234	6.061
0.394	0.415	0.446	0.500
0.255	0.317	0.357	0.363
0.261	0.252	0.263	0.284
0.151	0.161	0.176	0.179
0.078	0.084	0.093	0.095
0.081	0.063	0.077	0.074
7.542	8.015	8.611	8.535

**VILLAGE OF RIVER FOREST, ILLINOIS**

Property Tax Levies and Collections

Last Ten Tax Levy Years

Fiscal Year Ended April 30	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Collected to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2016	\$ 6,533,103	3,181,100	48.7%		3,181,100	48.7%
2015	6,437,341	3,138,844	48.8%	2,974,784	6,113,628	95.0%
2014	6,342,376	3,134,928	49.4%	3,135,310	6,270,238	98.9%
2013	6,217,568	3,005,217	48.3%	3,177,127	6,182,344	99.4%
2012	6,019,618	2,985,849	49.6%	2,974,970	5,960,819	99.0%
2011	5,909,284	2,823,501	47.8%	3,019,102	5,857,395	99.1%
2010	5,254,680	2,659,991	50.6%	2,536,447	5,196,438	98.9%
2009	5,249,682	2,299,507	43.8%	2,867,645	5,167,152	98.4%
2008	4,976,176	2,251,155	45.2%	2,662,295	4,913,450	98.7%
2007	4,813,901	2,209,977	45.9%	2,523,645	4,733,622	98.3%

<sup>1</sup> This tax levy is still in collection. The balance of the 2015 tax levy will be distributed to the Village in the summer of 2016. The amount shown as collected reflects an estimate, distributed by the County in the spring of 2016.

*Note:*

The amounts included in this schedule are taxes levied for the funding of corporate purposes, debt service, fire pension and police pension. They exclude the amounts levied for the Village's component unit, the Library, and the incremental tax funding for the TIF area.

Data Source

Cook County Clerk's Office website: [taxreports.cookcountyclerk.com](http://taxreports.cookcountyclerk.com)

**VILLAGE OF RIVER FOREST, ILLINOIS**

Taxable Sales by Category

Last Ten Calendar Years

Calendar Year	2015	2014	2013	2012	2011
Food	\$ 93,384,672	86,839,850	83,090,364	82,384,987	82,079,398
Drinking and Eating Places	11,622,400	11,284,119	11,091,040	10,503,313	10,010,672
Apparel	12,403,517	12,012,716	11,440,630	8,420,227	6,791,374
Furniture, Household and Radio	1,192,015	1,005,940	647,607	1,455,272	1,074,876
Lumber, Building and Hardware	1,203,379	1,120,171	1,446,699	1,376,899	1,606,111
Automotive Filling Stations	5,876,933	7,432,655	6,871,057	6,313,330	6,836,592
Drugs and Other Retail	52,713,770	58,375,494	55,937,317	52,612,341	46,106,080
Agriculture and Extractive	6,532,535	4,447,353	3,610,013	3,637,839	5,545,906
Manufacturers	90,695	122,363	128,734	497,559	
General Merchandise			9,152	35,374	
<b>Total</b>	<b>\$ 185,019,916</b>	<b>182,640,661</b>	<b>174,272,613</b>	<b>167,237,141</b>	<b>160,051,009</b>
Village Statutory Allocated Sales Tax Rate	1.00%	1.00%	1.00%	1.00%	1.00%

*Notes:*

Sales tax information for the calendar year 2015 is the most current available.

The State of Illinois imposes a sales tax on a seller's receipts from sales of tangible property for use or consumption. Tangible personal property does not include real estate, stocks, bonds or other "paper" assets representing an interest. The categories listed above are determined by the State of Illinois. The 1% tax is a revenue that the State shares with the Village.

Data Source

Illinois Department of Revenue: [www.revenue.state.il.us](http://www.revenue.state.il.us)

2010	2009	2008	2007	2006
83,020,444	85,966,358	94,027,986	93,555,481	86,715,425
9,930,377	9,077,434	9,349,870	8,853,913	7,481,459
5,763,602	6,539,962	9,416,078	13,384,501	13,776,636
1,678,393	3,457,753	5,790,508	5,835,259	6,172,732
		2,632,304	2,846,965	3,206,414
6,102,603	4,926,783	6,257,395	6,535,949	5,249,514
39,548,571	40,523,397	41,624,866	39,400,174	34,684,001
8,196,057	6,734,564	8,332,554	7,702,215	8,574,091
1,176,461	1,194,018		1,392,253	
			462,075	
155,416,508	158,420,269	177,431,561	179,968,785	165,860,272
1.00%	1.00%	1.00%	1.00%	1.00%

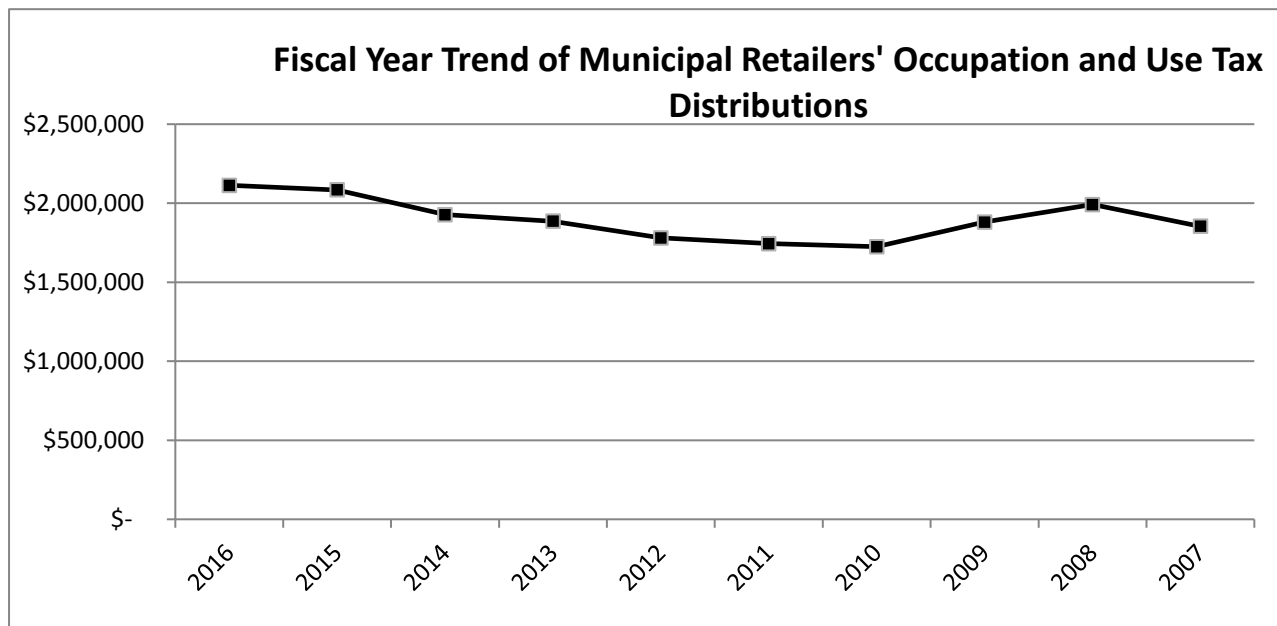
**VILLAGE OF RIVER FOREST, ILLINOIS**

Municipal Retailers' Occupation and Use Tax Receipts

Last Ten Fiscal Years

Fiscal Year	State Sales and Use Tax Distributions	Annual Change	
		Amount	Percentage
2016	\$ 2,113,337	29,354	1.41%
2015	2,083,983	156,122	8.10%
2014	1,927,861	41,845	2.22%
2013	1,886,016	105,962	5.95%
2012	1,780,054	35,688	2.05%
2011	1,744,366	19,422	1.13%
2010	1,724,944	(155,618)	-8.28%
2009	1,880,562	(110,995)	-5.57%
2008	1,991,557	137,783	7.43%
2007	1,853,773	337,939	22.29%

Note: Includes Village sales tax receipts allocated to the Pledged Taxes Fund.



**VILLAGE OF RIVER FOREST, ILLINOIS**

Top Ten Principal Property Taxpayers

2015 Levy Year and Nine Years Ago

Taxpayer	Type of Business	2015 Levy Year (1)		2006 Levy Year	
		Equalized Assessed Valuation	Percentage of Total Equalized Assessed Valuation	Equalized Assessed Valuation	Percentage of Total Equalized Assessed Valuation
River Forest Town Center One	Retail Center	\$ 8,983,649	1.9%	12,558,842	2.4%
Vanguard Health Systems	Medical Center	6,581,305	1.4%	6,076,458	1.2%
River Forest Town Center Two	Retail Center	4,849,654	1.0%	8,001,492	1.6%
Albertson's (Jewel)	Grocery Store	3,827,691	0.8%	7,035,553	1.4%
Kirk Eye Center	Vision Care Center			2,063,872	0.4%
Thomas Tax & Acct 2007	Retail Store			1,718,276	0.3%
Individual	Mixed Use			1,552,258	0.3%
Oilily Holding USA (Fresenius)	Medical Center	1,316,835	0.3%		
Plunkett Furniture Co.	Retail Store			1,240,623	0.2%
River Forest POB LLC	Medical Center	1,280,877	0.3%		
Corus Bank				1,091,433	0.2%
Mid America Asset Mgmt	Grocery Store	818,717	0.2%	1,626,469	0.3%
Jack Strand	Retail Center	803,952	0.2%		
Keystone Montessori	School	796,229	0.2%		
John M Cox Jr.	Residential	771,351	0.2%		
Totals		<u>\$ 30,030,260</u>	<u>6.4%</u>	<u>42,965,276</u>	<u>8.3%</u>
Total Village of River Forest equalized assessed value:		\$ 470,348,398		491,723,633	

Notes:

<sup>1</sup> The State of Illinois establishes a lien on property for the levy at the beginning of the calendar year. The taxing entities adopt their levies at the end of December of the same calendar year. The taxes levies are for collections in the following calendar year. Therefore, the Village's fiscal year 2016 relied on the property collections in the summer of 2015, which are from the 2014 tax levy year, as well as the distribution provided in the spring of 2016 which was an estimate based on the prior year's tax levy.

Data Source

Office of County Clerk

## **DEBT CAPACITY**

**VILLAGE OF RIVER FOREST, ILLINOIS**

Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-type Activities		Total Outstanding Debt of Primary Government	Total Outstanding Debt as a Percentage of Personal Income	Total Outstanding Debt per Capita*
	General Obligation Bonds	General Obligation Bonds	General Obligation Bonds	Loans			
2016	\$ 482,300	495,000	14,849,781		15,827,081	2.3%	\$ 1,417
2015	305,000	650,000	586,882		1,541,882	0.2%	138
2014	505,000	800,000			1,305,000	0.2%	117
2013	700,000	945,000			1,645,000	0.2%	147
2012	890,000	1,085,000			1,975,000	0.3%	177
2011	1,075,000	1,220,000			2,295,000	0.5%	224
2010	1,255,000	1,355,000			2,610,000	0.5%	224
2009	4,395,000	1,355,000			5,750,000	1.0%	494
2008	7,935,000				7,935,000	1.4%	682
2007	10,005,000				10,005,000	1.8%	860

*Notes:*

Details of the Village's outstanding debt may be found in the Notes to the Financial Statements.

The IEPA Loan is included in this schedule; however, a final payment schedule will not be provided until the project is fully funded by the IEPA.

\*Refer to the Schedule of Demographic and Economic Statistics for personal income and population data.

Data Source

Village Records

U.S. Department of Commerce, Bureau of Census. 1990 and 2000 Census.



**VILLAGE OF RIVER FOREST, ILLINOIS**

Ratio of Net General Obligation Bonded Debt to Equalized Assessed Value  
and Net General Obligation Bonded Debt Per Capita

Last Ten Fiscal Years

Tax Levy Year	2015	2014	2013	2012
Population <sup>(1)</sup>	11,172	11,172	11,172	11,172
Equalized Assessed Value - EAV <sup>(2)</sup>	\$ 470,348,398	488,390,939	493,186,293	529,450,956
General Obligation Debt				
Gross General Obligation Bonded Debt	977,300	955,000	1,305,000	1,645,000
Less: Debt Payable from TIF Revenues				
Less: Fund Balance Available in Debt Service Fund	172,810	149,078	149,491	135,993
Net General Obligation Bonded Debt <sup>(3)</sup>	804,490	805,922	1,155,509	1,509,007
Ratio of Net General Obligation Bonded Debt to Assessed Value	0.171%	0.165%	0.234%	0.285%
Ratio of Net General Obligation Bonded Debt Per Capita	72.0	72.1	103.4	135.1

Data Source

(1) U.S. Department of Commerce, Bureau of Census

(2) Office of the County Clerk

(3) Tax supported debt only, per Village Records

2011	2010	2009	2008	2007	2006
11,172	11,172	11,635	11,635	11,635	11,635
573,104,464	704,269,535	641,332,879	596,926,880	515,665,926	491,723,633
1,975,000	2,295,000	2,610,000	5,750,000	7,935,000	10,005,000
			2,965	7,370	9,275
116,417	57,289	338,894	548,336	68,360	85,062
1,858,583	2,237,711	2,271,106	5,204,629	7,874,010	9,929,213
0.324%	0.318%	0.354%	0.872%	1.527%	2.019%
166.4	200.3	195.2	447.3	676.8	853.4

**VILLAGE OF RIVER FOREST, ILLINOIS**

Computation of Direct and Overlapping Bonded Debt

For the Fiscal Year Ended April 30, 2016

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Village (1)	Amount Applicable to Village
<b>Direct Debt</b>			
Village of River Forest	\$ 482,300	100.00%	482,300
<b>Overlapping Debt</b>			
Schools:			
School District Number 90	9,300,000	100.00%	9,300,000
High School District Number 200	3,320,000	26.06%	865,192
Total Schools	<u>12,620,000</u>		<u>10,165,192</u>
Others:			
Cook County	3,362,051,750	0.35%	11,767,181
Cook County Forest Preserve District	163,117,000	0.35%	570,910
Metropolitan Water Reclamation District	2,629,938,992	0.36%	9,467,780
River Forest Park District	66,511	100.00%	66,511
Total Others	<u>6,155,174,253</u>		<u>21,872,382</u>
Total Schools and Others			
Overlapping Bonded Debt	<u>6,167,794,253</u>		<u>32,037,574</u>
<b>Total</b>	<u>\$ 6,168,276,553</u>		<u>32,519,874</u>

*Note:*

(1) Percentages are based on the percent of the property's 2015 equalized assessed value as compared to the Village total.

Data Source

Cook County Clerk; <http://cookcountygov.com>

**VILLAGE OF RIVER FOREST, ILLINOIS**

Legal Debt Margin

For the Fiscal Year Ended April 30, 2016

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Assessed Valuation - Tax Levy Year 2015	<u>\$ 470,348,398</u>
Legal Debt Limit - 8.625% of Assessed Valuation	\$ 40,567,549
Amount of Debt Applicable to Debt Limit	<u>482,300</u>
Legal Debt Margin	<u>\$ 40,085,249</u>

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

## **DEMOGRAPHIC AND ECONOMIC INFORMATION**

## VILLAGE OF RIVER FOREST, ILLINOIS

### Demographic and Economic Statistics

#### Ten Fiscal Years

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The following table shows the ten-year trend in population, personal income and per capita income for the Village, as well as average annual unemployment rates for the Village and the State of Illinois.

Fiscal Year	Population	Estimated Total Personal Income of Population (1)	Per Capita Personal Income (1)	Unemployment Rate	
				Village of River Forest	State of Illinois (2)
2016	11,172	\$ 684,932,976	64,856	5.1%	6.0%
2015	11,172	684,932,976	64,856	5.1%	6.0%
2014	11,172	684,932,976	64,856	5.1%	7.9%
2013	11,172	684,932,976	66,028	5.1%	9.2%
2012	11,172	684,932,976	61,308	5.1%	8.8%
2011	11,172	684,932,976	61,308	5.1%	9.5%
2010	11,172	684,932,976	61,308	5.1%	10.9%
2009	11,635	571,429,755	49,113	5.1%	9.5%
2008	11,635	571,429,755	49,113	2.7%	5.8%
2007	11,635	571,429,755	49,113	2.7%	4.8%

#### Notes:

- (1) The U.S. Department of Commerce, Bureau of Census defines personal income as a measure of income received from all sources by residents of the Village during a calendar year.
- (2) Illinois Department of Employment Security

#### Data Source

Bureau of Census  
Illinois Department of Employment Security

## VILLAGE OF RIVER FOREST, ILLINOIS

### Median Family Income

According to the 2010 U.S. Census, the Village had a median family income of \$156,835. In comparison, the 2010 median family income was \$65,039 for Cook County and \$68,236 for the State of Illinois. The following table represents the distribution of family income for the Village, Cook County and the State of Illinois at the time of the 2010 U. S. Census.

### Median Family\* Income

Income	<u>The Village</u>		<u>Cook County</u>		<u>State of Illinois</u>	
	Number of Families	Percent of Families	Number of Families	Percent of Families	Number of Families	Percent of Families
Less than \$10,000	180	4.6%	63,241	5.3%	131,841	4.2%
\$ 10,000 to \$ 14,999	10	0.3%	39,634	3.3%	86,610	2.7%
\$ 15,000 to \$ 24,999	186	4.8%	100,077	8.4%	224,421	7.1%
\$ 25,000 to \$ 34,999	220	5.6%	105,831	8.8%	260,262	8.3%
\$ 35,000 to \$ 49,999	194	5.0%	147,041	12.3%	389,862	12.4%
\$ 50,000 to \$ 74,999	530	13.6%	213,790	17.9%	606,737	19.2%
\$ 75,000 to \$ 99,999	426	10.9%	166,870	13.9%	486,151	15.4%
\$100,000 to \$149,999	565	14.5%	192,184	16.1%	547,784	17.4%
\$150,000 to \$199,999	441	11.3%	78,924	6.6%	212,016	6.7%
\$200,000 or more	<u>1,156</u>	29.6%	<u>89,204</u>	7.5%	<u>207,841</u>	6.6%
	<u>3,908</u>		<u>1,196,796</u>		<u>3,153,525</u>	

\*The U.S. Department of Commerce, Bureau of Census defines a family as a group of two or more people (one of whom is the householder) related by birth, marriage or adoption and residing together. All such people (including related subfamily members) are considered as members of one family.

### Data Source

U.S. Department of Commerce, Bureau of Census, 2010 Census

## VILLAGE OF RIVER FOREST, ILLINOIS

### Housing

#### HOUSING

The 2010 U.S. Census reported that the median value of a Village owner-occupied home was \$618,200. This 2010 median value for an owner-occupied home compares with \$265,800 for Cook County and \$202,500 for the State of Illinois. The 2010 market values for specified owner-occupied units for the Village, Cook County and the State of Illinois are as follows:

#### Specified Owner-Occupied Units

Value	<u>The Village</u>		<u>Cook County</u>		<u>State of Illinois</u>	
	Number of Units	Percent of Units	Number of Units	Percent of Units	Number of Units	Percent of Units
Less than \$50,000	12	0.3%	32,251	2.8%	218,208	6.7%
\$50,000 to \$99,999	43	1.2%	58,161	5.0%	451,967	13.8%
\$100,000 to \$149,999	140	3.9%	115,458	10.0%	464,158	14.2%
\$150,000 to \$199,999	325	9.0%	181,081	15.7%	518,957	15.8%
\$200,000 to \$299,999	423	11.8%	310,631	26.9%	725,004	22.1%
\$300,000 to \$499,999	485	13.5%	303,331	26.2%	613,486	18.7%
\$500,000 to \$999,999	1,537	42.7%	125,991	10.9%	234,600	7.2%
\$1,000,000 or more	<u>632</u>	17.6%	<u>29,748</u>	2.6%	<u>53,191</u>	1.6%
	<u>3,597</u>		<u>1,156,652</u>		<u>3,279,571</u>	

#### Data Source

U.S. Department of Commerce, Bureau of Census, 2010 Census



**VILLAGE OF RIVER FOREST, ILLINOIS**

Principal Village Employers

Current Fiscal Year and Nine Years Ago

Employer	Product/Service	Rank	Fiscal Year 2016		Rank	Fiscal Year 2007	
			Approximate Employment	Percent of Total Village Population		Approximate Employment	Percent of Total Village Population
Dominican University	Education	1	1,245	11.14%	1	475	4.08%
Concordia University	Education	2	1,236	11.06%	3	200	1.72%
Jewel/Osco Grocery Store	Grocery Store	3	325	2.91%	2	392	3.37%
Elementary School Dist 90	Education	4	195	1.75%	4	192	1.65%
Whole Foods	Grocery Store	5	190	1.70%	5	186	1.60%
Village of River Forest	Government	6	83	0.74%	6	104	0.89%
West Suburban (River Forest locations)	Health Care	7	80	0.72%	7	60	0.52%
Cook County Forest Preserve	Government	8	73	0.65%	8	70	0.60%
Panera Bread	Restaurant	9	50	0.45%			
Dominick's Finer Foods	Grocery Store				9	45	0.39%
McDonalds	Restaurant	10	35	0.31%			
River Forest Community Center	Community Ctr				10	27	0.23%
			<u>3,512</u>	<u>31.44%</u>		<u>1,751</u>	<u>15.05%</u>
Total Population, per 2000 and 2010 census				<u>11,172</u>			<u>11,635</u>

*Notes:*

Estimated figure includes all full-time and part-time employees.

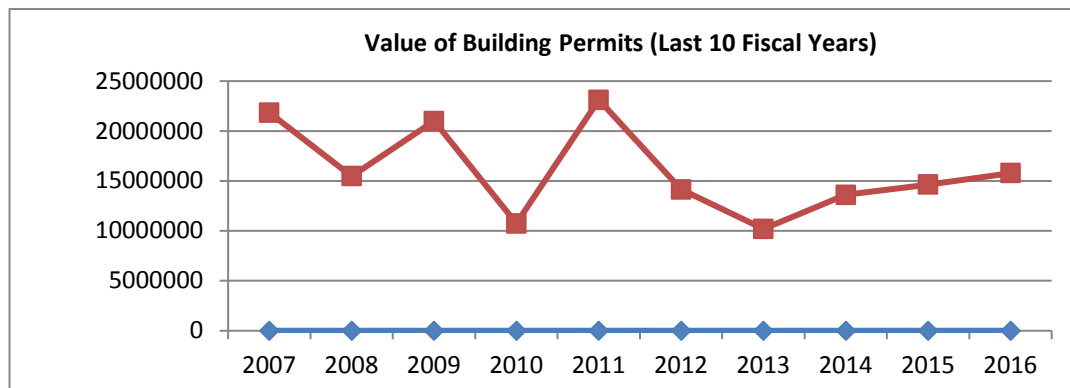
Data Source

Village Records, employer inquiries

**VILLAGE OF RIVER FOREST, ILLINOIS**

Construction Value of Building Permits and Property Value  
 Last Ten Fiscal Years  
 April 30, 2016

Fiscal Year	Number of Permits issued	Value of Building Permits
2016	203	\$ 15,792,768
2015	219	14,634,612
2014	158	13,607,856
2013	190	10,200,076
2012	208	14,154,139
2011	210	23,127,993
2010	185	10,734,585
2009	196	20,998,543
2008	131	15,479,689
2007	207	21,852,253



Data Source

Village Records

## **OPERATING INFORMATION**

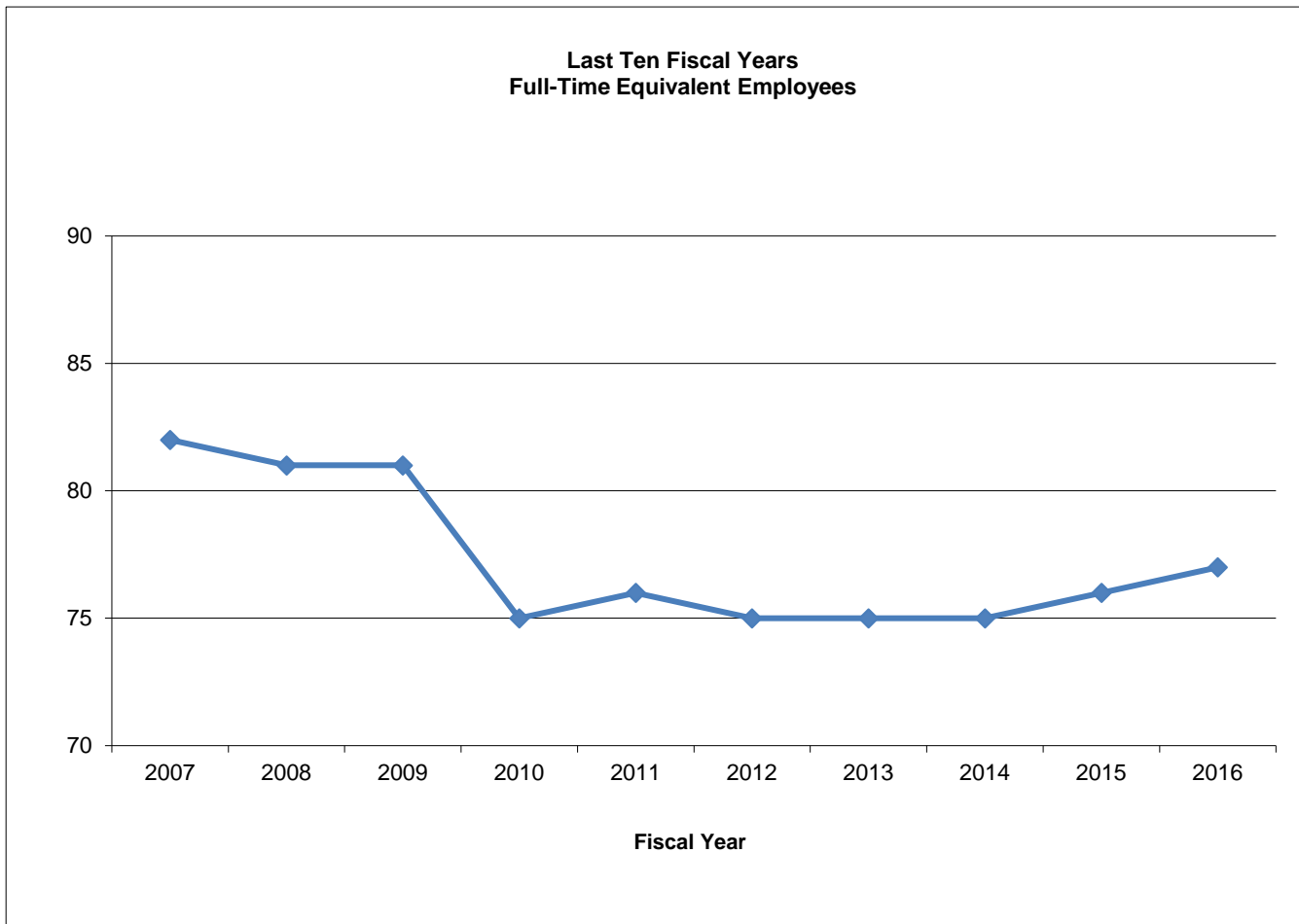
**VILLAGE OF RIVER FOREST, ILLINOIS**

Full-Time Equivalent Employees

Last Ten Fiscal Years

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>General Government</b>										
Administration	2.5	2.5	2.5	2.5	2.5	3.0	2.0	3.0	3.0	3.0
Finance	3.5	3.5	3.5	3.5	3.0	3.0	3.0	3.0	3.0	3.0
Building and Development	3.5	3.0	3.0	3.0	3.5	0.0	0.0	0.0	0.0	0.0
<b>Total General Government</b>	<b>9.5</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>	<b>6.0</b>	<b>5.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>
<b>Public Safety</b>										
Police										
Sworn	28.0	28.0	28.0	28.0	28.0	28.0	28.0	31.0	31.0	31.0
Non-Sworn	3.0	3.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0
Fire										
Sworn	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0
<b>Total Public Safety</b>	<b>53.0</b>	<b>53.0</b>	<b>52.0</b>	<b>52.0</b>	<b>52.0</b>	<b>53.0</b>	<b>53.0</b>	<b>56.0</b>	<b>56.0</b>	<b>56.0</b>
<b>Highway and Streets</b>										
Public Works	14.5	14.0	14.0	14.0	14.0	17.0	17.0	19.0	19.0	20.0
<b>Total Village</b>	<b>77.0</b>	<b>76.0</b>	<b>75.0</b>	<b>75.0</b>	<b>75.0</b>	<b>76.0</b>	<b>75.0</b>	<b>81.0</b>	<b>81.0</b>	<b>82.0</b>

In Fiscal Year 2012 the Building and Development Divison was created. Employees were Transferred from the Public Works Department.



Data Source

Village Records

**VILLAGE OF RIVER FOREST, ILLINOIS**

Capital Assets Statistics

Last Ten Fiscal Years

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Government										
Village Hall	1	1	1	1	1	1	1	1	1	1
Public Safety										
Police										
Police Station	1	1	1	1	1	1	1	1	1	1
Patrol areas	3	3	3	3	3	3	3	3	3	3
Patrol units	17	17	17	17	17	17	17	17	17	17
Fire										
Fire station	1	1	1	1	1	1	1	1	1	1
Fire engines	3	3	2	2	2	2	2	2	2	2
Ambulances	2	2	2	2	2	2	2	2	2	2
Public Works										
Highway & Streets										
Streets (miles)	31.6	31.6	31.6	31.6	31.6	31.6	31.6	31.6	31.6	31.6
Streetlights	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998
Intersections with Traffic signals	15	15	15	15	15	15	15	15	15	15
Waterworks										
Water mains (miles)	40	40	40	40	40	40	40	40	40	40
Fire hydrants	440	440	440	440	440	440	440	440	440	440
Storage capacity (1,000 gallons)	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Sewerage										
Sanitary sewers (miles)	33.13	33.13	33.13	33.13	33.13	33.13	33.13	33.13	33.13	33.13
Pumping capacity (1,000 gallons)	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700
Storm sewers (miles) <sup>1</sup>	3.37	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19

*Note:*

<sup>1</sup> Except for the section referenced in this table, storm sewers in the Village are owned and serviced by the Metropolitan Water Reclamation District, a legally separate entity from the Village.

Data Source

Various Village Departments

**VILLAGE OF RIVER FOREST, ILLINOIS**

Operating Indicators

Last Ten Fiscal Years

Function/Program	Fiscal Year Ended April 30									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Public Safety</b>										
Police										
Total arrests	760	688	812	794	844	839	638	694	587	723
Calls for service	N/A	9,747	9,762	9,906	11,025	11,297	12,917	13,645	10,146	11,846
Traffic tickets	2,962	3,411	3,557	3,162	3,284	3,897	2,864	2,948	2,495	3,106
Traffic Accidents	588	573	514	494	456					
<b>Fire</b>										
Ambulance calls	1,302	1,106	1,069	1,005	888	868	868	832	858	853
Fire/Other calls	824	871	862	856	946	988	932	992	973	892
<b>Public Works</b>										
Streets										
Street Reconstruction (ln. ft.)						669	2,520	3,082	1,240	
Street resurfacing (ln. ft.)	6,460	3,030	3,300	13,998	11,417	5,893	7,209	4,909	2,540	5,965
Leaves collected (tons)	1,801	1,380	1,903	1,677	1,676	1,637	1,947	1,751	1,595	1,530
Full salting operations (tons)	625	314	950	804	436	1,000	932	1,047	1,197	354
Trees Trimmed	406	763	700	750	1,341	1,745				
Water/Sewer										
Water main repairs	5	14	15	7	8	12	9	1	7	6
Average daily pumpage (mgd)	1.13	1.27	1.39	1.45	2	2	2	2	2	2
Sewer mains cleaned (ln. ft.)	32,034	21,049	25,914	11,088	40,945	30,149	13,518	91,990	31,688	36,019

N/A - Calls for service are not currently available for 2016 due to the conversion to a new computer aided dispatch (CAD) system.

Data Source

Village Records

**VILLAGE OF RIVER FOREST, ILLINOIS**

Water Fund Statistics

For the Fiscal Year Ended April 30, 2016

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Water Fund statistics are as follows:

Number of Metered Customers	3,160
Cubic Feet of Water Pumped into system (in hundreds)	568,535
Cubic Feet of Water Billed (in hundreds)	471,110

Data Source

Village Records

**VILLAGE OF RIVER FOREST, ILLINOIS**

Surety Bonds of Principal Officials

April 30, 2016

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<u>Principal Official</u>	<u>Amount of Surety Bond</u>
Village President	\$ 3,000
Village Clerk	3,000
Finance Director/Treasurer	50,000

Data Source

Village insurance coverage documents



