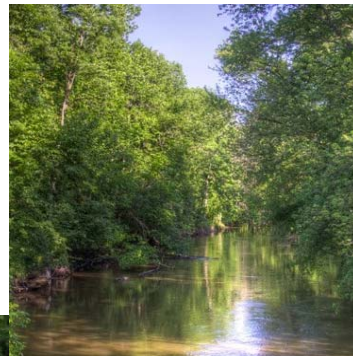


Village of River Forest, Illinois



Comprehensive Annual Financial Report

For the Fiscal Year Ended April 30, 2017



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, 2017**

**Eric Palm
Village Administrator**

Prepared by the Finance Division

**Joan Rock
Finance Director**

**Cheryl Scott
Assistant Finance Director**

VILLAGE OF RIVER FOREST, ILLINOIS

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INTRODUCTORY SECTION



October 2, 2017

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

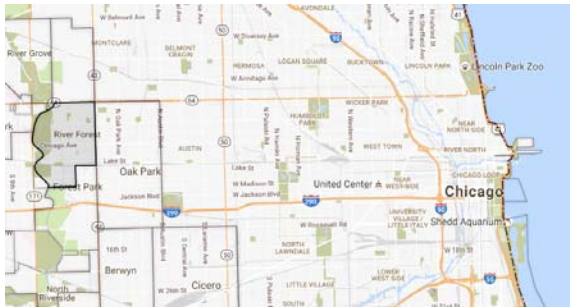
The Comprehensive Annual Financial Report (CAFR) of the Village of River Forest, Illinois, for the fiscal year ended April 30, 2017 is hereby presented. State law requires an annual audit for local governments. The audit must be conducted in accordance with generally accepted auditing standards, include 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 2017. 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, 2017. 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 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 76 full-time positions in the Fiscal Year 2017 annual budget. There are four different labor contracts that represent 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. 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. The Village has additional retail

development along the North Avenue, Lake Street, Madison Street and Harlem Avenue corridors. The Village established a TIF district on Madison Street during Fiscal Year 2017. The Madison Street TIF is not expected to generate incremental property tax revenues until Fiscal Year 2019; therefore no TIF related development has taken place to date. Efforts are underway to establish another new Tax Increment Financing District along North Avenue.

Economic development is a priority for the Village. The Village has 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, a 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 delayed the completion of this project; however, Fresh Thyme opened for business in June of 2017. In Fiscal Year 2017 a new sports apparel store filled a recently vacated spot in the River Forest Town Center illustrating the strong economic vitality at this location. The Village continues to work with developers and building management companies to attract new businesses.

Real estate activity in the Village has flourished in recent years. New residential development activity includes the Promenade Townhomes that contains 29 units and was under construction during the fiscal year. The Village also approved the Avalon, a high-end residential

condominium property with 15 residential units. The Village collected \$131,836 from its .1% residential real estate transfer tax during the year. The Village’s equalized assessed valuation (EAV) increased \$15.2 million, or about 3.2%, from \$470.3 million with the 2015 levy year to \$485.5 million in the 2016 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. 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 and changes to the equalization factor calculate by the State. New property totaled \$73,657 in 2016 and was primarily due to residential construction.

Property values are expected to increase substantially with the next reassessment in 2017. The River Forest Township Assessor reported an average 24% increase in the assessed value of residential properties. Increased property values, however, do not necessarily result in an increase in property tax revenues. Only new property or an increase in the Consumer Price Index results in higher revenues. New property include taxable commercial and residential improvements during the year and property value associated with a home improvement exemptions that expired during the three years prior to the reassessment year. Property is only reassessed every three years in Cook County.



Equalized Assessed Value

Year	Equalized Assessed Value	Increase (Decrease)	% Increase (Decrease)
2016	\$485,584,510	\$15,236,112	3.24%
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 substantial commercial, institutional and residential building activity during the fiscal year that resulted in higher building permit revenues. Building permit revenues totaled \$1,113,029 during Fiscal Year 2017 compared to \$471,698 in the prior year. During 2017, 210 building permits were issued with a value totaling \$29,807,464. These permits were for residential, institutional and commercial 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 2017 Capital Improvement Program. 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 also deposited into the fund from cameras located at two major intersections in the Village. The CERF Fund is fully funded assuming future annual contributions from the General and Waterworks and Sewerage Funds.

The automated traffic signal enforcement fines are now being deposited into the Capital Improvement Fund, which is used for building and infrastructure improvements including alley, parking lot, building, information technology 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 with 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 agreed upon elements in the Pension Funding Policies. The Village is utilizing a five-year transition plan to reach the desired funding level. The 2016 Property Tax Levy for the pension funds was based on the recommended amounts. The final transition plan amount will be levied with the 2017 Property Tax Levy in December of 2017. The Village plans to schedule a joint meeting with the actuary, the Finance Committee and the Police and Firefighter Pension Boards at the end of Calendar Year 2017 to discuss funding progress, reevaluate the assumptions included in each Pension Funding Policy and develop a plan for future years.

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 financial policies address financial planning, revenues, expenditures, fund balance, reserves, capital improvements and accounting and financial reporting. The Village expanded their existing financial policies a couple of years ago to include an updated fund balance policy. 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. These policies were approved by the Village board and their respective pension boards. The Village also has separately issued Investment, Purchasing, Travel, Capital Assets and Grant Administration Policies.

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, 2017, this portion of fund balance is \$7,466,557 or 47.2% of Fiscal Year 2018 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.

General Fund

Fiscal Year	Unassigned Fund Balance plus Restricted for Working Cash	Percentage of Subsequent Years Budgeted Expenditures
2017	\$7,466,557	47.2%
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%

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 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 2017 was on economic development, and a new Tax Increment Financing District was established on Madison Street. The Village also continued efforts to create another new TIF district on North Avenue. Both are major roads in the Village that run east to west.

A Tax Increment Financing (TIF) District, which was 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. The businesses contribute to the Village’s municipal and non-home rule sales tax revenue. The Village also provided funding for development at the intersection of Lake and Lathrop during the fiscal year. The Village continues to work with a developer on this site. Fresh Thyme Farmers Market continued improvements to a vacated grocery store property on North Avenue and opened for business in June of 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. 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 final proceeds from the IEPA Loan were received in Fiscal Year 2017 and the debt payment schedule is included in the supplemental section of this report. The first principal and interest payment on the loan was made in May of 2016.



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 70 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, 2016, for the ninth 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, 2016, 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, 2017, 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, Management Analyst, for his assistance with the Statistical Section of the report, 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,

Joan Rock
Finance Director

**Village of River Forest, Illinois
Principal Officials
April 30, 2017**



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



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, 2016

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, 2017, 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.

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 4-18 and budgetary comparison information for the General Fund, and pension and other postemployment information on pages 80-92 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, and other supplementary 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 2017 basic financial statements.

The 2017 combining, individual fund, capital asset financial statements and schedules and other supplementary 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 2017 combining, individual fund, capital asset financial statements and other supplementary information are fairly stated, in all material respects, in relation to the 2017 basic financial statements as a whole. We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Village's basic financial statements as of and for the year ended April 30, 2016, which are not presented with the accompanying financial statements. In our report dated September 29, 2016, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information. In our opinion, the 2016 actual amounts included as supplementary information are fairly stated in all material respects in relation to the basic financial statements as of and for the year ended April 30, 2016, taken as a whole.

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

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
October 2, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF RIVER FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
APRIL 30, 2017

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

- ➔ The assets and deferred outflows of the Village exceeded its liabilities and deferred inflows at April 30, 2017 by \$7,690,473.
- ➔ The Village's total net position decreased by \$946,019 during the fiscal year. Governmental activities net position decreased by \$1,527,305 and business-type activities net position increased by \$581,286.
- ➔ Deferred outflows decreased \$461,287 to \$6,438,604 and deferred inflows increased \$1,459,684 to \$5,257,792.
- ➔ The Village's combined governmental funds ending fund balance decreased by \$209,116 to \$17,054,445.
- ➔ At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$6,931,525, an increase of \$533,267.
- ➔ Net capital assets of governmental activities increased by \$1,025,417, while business-type activities decreased by \$217,306 in the current fiscal year due to the acquisition of vehicles and equipment and infrastructure improvements and related debt principal payments offset by depreciation expense and the disposal of capital assets. The Village completed the Northside Stormwater Management Project (NSMP) during the prior fiscal year which provided separate stormwater and sanitary sewer services on the north side of the community.
- ➔ The Village's long-term liabilities decreased by \$808,827 to \$56,396,967. Long-term liabilities include \$39,257,620 in Net Pension Liabilities, which increased \$43,364 from the prior fiscal year. Other long-term liabilities were reduced due to bond and loan principal payments during the fiscal year.

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

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

understanding the statements. These include the Required Supplementary Information, and the Combining, Individual Fund, and Capital Asset Financial Statements and Schedules and Other Supplementary Information.

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 19-21 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.

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

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

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 seven 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 five nonmajor governmental funds: the Motor Fuel Tax (MFT), Alternate Revenue Debt Service, Economic Development, Capital Improvement and the Madison Street TIF 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 94. 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 22-25, 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 26-28 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 29 and 30 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 31-79 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 and other postemployment benefits to its employees. Required supplementary information can be found on pages 80-93 of this report.

Combining, Individual Fund and Capital Asset Financial Statements and Schedules can be found on 94-120 of this report. The Other Supplementary Information Schedules, on 121-125, include detailed long-term debt payment information. The Statistical Section, on pages 126-157, includes information on government-wide revenues and expenditures, property taxes, and additional information.

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

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 and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$7,690,473 as of April 30, 2017. The largest portion of the Village's net position reflects its net investment in capital assets of \$25,860,926, 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 of \$2,221,937 represents resources that are subject to external restrictions on how they may be used. The Village has an overall unrestricted net deficit of (\$20,392,390) due to the implementation of GASB 68 in fiscal year 2016 which required the Net Pension Liability and associated Deferred Inflows and Outflows for Police, Firefighter and Illinois Municipal Retirement Fund (IMRF) Regular and Sheriff's Law Enforcement Personnel (SLEP) and pension plans to be recorded on the Statement. Prior to the implementation in Fiscal Year 2016, 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 \$946,019 as a result of the governmental activities decreasing \$1,527,305 offset by business-type activities increasing \$581,286. The following table reflects the condensed Statement of Net Position:

**Village of River Forest, Illinois
Statement of Net Position
April 30, 2017 and April 30, 2016**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Current and Other Assets	\$ 21,130,856	21,553,421	2,572,700	3,046,215	23,703,556	24,599,636
Capital Assets	18,574,462	17,549,045	21,886,862	22,104,168	40,461,324	39,653,213
Total Assets	39,705,318	39,102,466	24,459,562	25,150,383	64,164,880	64,252,849
Total Deferred Outflows of Resources	6,284,476	6,704,375	154,128	195,516	6,438,604	6,899,891
Liabilities						
Current	888,509	610,041	369,743	902,305	1,258,252	1,512,346
Long-Term Liabilities	41,381,047	41,403,098	15,015,920	15,802,696	56,396,967	57,205,794
Total Liabilities	42,269,556	42,013,139	15,385,663	16,705,001	57,655,219	58,718,140
Total Deferred Inflows of Resources	5,251,949	3,798,108	5,843	-	5,257,792	3,798,108
Net Position						
Net Investment in Capital Assets	18,574,462	17,549,045	7,286,464	6,759,387	25,860,926	24,308,432
Restricted	2,190,893	3,522,426	31,044	31,044	2,221,937	3,553,470
Unrestricted (Deficit)	(22,297,066)	(21,075,877)	1,904,676	1,850,467	(20,392,390)	(19,225,410)
Total Net Position	\$ (1,531,711)	(4,406)	9,222,184	8,640,898	7,690,473	8,636,492

The net position of the Village's governmental activities was (\$1,531,711). The Village's unrestricted net position from governmental activities was (\$22,297,066), a decrease of \$1,221,189. The decrease is due to an increase in the net pension liability and associated deferred inflows offset by the deferred outflows which are recorded in accordance with GASB 68 that was implemented in fiscal year 2016. With GASB 68, the Net Pension Liability

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

and associated Deferred Inflows and Outflows are 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 net decrease in unrestricted net position associated with pensions totaled \$1,985,872 at the end of the fiscal year. The increase in the pension liabilities was due to demographic changes including new hires, retirements, deaths and promotions, variances from expected salary increases, asset returns and contributions, and assumption changes. 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 2017 and 2016 are as follows:

**Impact of the Pension Liabilities on Net Position
April 30, 2017 and April 30, 2016**

	Governmental Activities			Business-Type Activities		
	2017	2016	Inc (Dec)	2017	2016	Inc (Dec)
Deferred Outflows of Resources						
Illinois Municipal Retirement Fund	\$ 484,651	604,719	(120,068)	154,128	195,516	(41,388)
Police Pension Fund	2,324,120	2,986,388	(662,268)			
Firefighters' Pension Fund	3,475,705	3,113,268	362,437			
Total Deferred Outflows of Resources	\$ 6,284,476	6,704,375	(419,899)	154,128	195,516	(41,388)
Net Pension Liability						
Illinois Municipal Retirement Fund	\$ 1,097,880	1,233,043	(135,163)	331,523	385,246	(53,723)
Police Pension Fund	21,441,759	22,522,251	(1,080,492)			
Firefighters' Pension Fund	16,386,458	15,073,716	1,312,742			
Total Net Pension Liability	\$ 38,926,097	38,829,010	97,087	331,523	385,246	(53,723)
Deferred Inflows of Resources						
Illinois Municipal Retirement Fund	\$ 19,113		19,113	5,843		5,843
Police Pension Fund	1,480,233	51,626	1,428,607			
Firefighters' Pension Fund	562,832	541,666	21,166			
Total Deferred Inflows of Resources	\$ 2,062,178	593,292	1,468,886	5,843	-	5,843
Impact on Unrestricted Net Position (Deficit)	\$ (34,703,799)	(32,717,927)	1,985,872	(183,238)	(189,730)	6,492

The Net Pension Liability is the unfunded pension liability that is calculated by an actuary and includes the Village's Net Pension Liability for Police, Firefighters and IMRF and SLEP 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.

Contributions to the Police and Firefighters Pension Plans were less than expected because the Village is currently funding utilizing a transition plan. The transition plan contribution is less than the full contribution recommended by the actuary based on the approved Pension Funding Policies. The Village is expected to reach the full contribution amounts in Fiscal Year 2019. In addition, asset returns were lower than the expected rate of return for the Police and Firefighters Pension Funds and slightly higher than expected for IMRF and SLEP. The mortality tables used for the Police and Firefighters Pension Plans were changed to include mortality improvements as stated in the most recently released MP-2016 table. In addition, the rates are being applied on a fully-generational basis.

The significant decrease in the Unrestricted Net Position resulting from pension liabilities was offset by a \$767,904 increase primarily due to higher revenues from building permits and the net change in the IRMA deposit in the General Fund and automated traffic signal enforcement fines and grant revenues in the Capital Improvement Fund. The Restricted Net Position in the governmental activities decreased \$1,331,533 due to expenses for economic development using restricted funds. There was an increase in the Net Investment in Capital Assets of \$1,025,417 due to the vehicle and equipment purchases and capital improvements during the fiscal year, less depreciation, and capital related debt payments.

The Net Position of business-type activities was \$9,222,184, an increase of \$581,286 from FY 2016. Operating revenues exceeded operating expenses including depreciation by \$886,463. Water and sewer revenues were

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

higher than expected due to a 4.1% increase in billed water consumption resulting from hotter summer weather conditions. Rates were increased in May 2016 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. Construction and construction engineering costs for Phase 0 of the NSMP were financed with a bank loan and for Phase 1 with an IEPA Loan. The overall net position increased due to revenues from the higher consumption, increased water and sewer rates and lower operating costs. The Net Investment in Capital Assets increased \$527,077 due to current year debt payments and capital purchases funded with reserves, less current year depreciation. The unrestricted net position increased by \$54,209 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 net liabilities associated with the IMRF pension recorded due to the implementation of GASB 68 decreased by \$6,492 from Fiscal Year 2016.

**Village of River Forest, Illinois
Changes in Net Position
For the Fiscal Years Ended April 30, 2017 and April 30, 2016**

	Governmental		Business-Type		Total	
	Activities		Activities		2017	2016
	2017	2016	2017	2016	2017	2016
Revenues						
Program Revenues						
Charges for Services	\$ 4,672,605	4,010,072	5,112,341	4,569,701	9,784,946	8,579,773
Operating Grants	449,074	347,607			449,074	347,607
Capital Grants	236,734	316,519			236,734	316,519
General Revenues						
Property Taxes	6,547,365	6,396,586			6,547,365	6,396,586
Other Taxes	2,037,243	2,125,126			2,037,243	2,125,126
Intergovernmental	3,405,264	3,518,472			3,405,264	3,518,472
Other Revenue	737,223	356,678	22,260	27,371	759,483	384,049
Total Revenues	18,085,508	17,071,060	5,134,601	4,597,072	23,220,109	21,668,132
Expenses						
General Government	2,691,842	2,460,334			2,691,842	2,460,334
Development	1,773,443	557,136			1,773,443	557,136
Public Safety	11,693,602	11,474,585			11,693,602	11,474,585
Public Works	1,612,495	1,445,697			1,612,495	1,445,697
Highways and Streets	752,242	1,371,856			752,242	1,371,856
Sanitation	1,081,483	1,032,181			1,081,483	1,032,181
Interest	7,706	9,811			7,706	9,811
Water and Sewer			4,553,315	3,686,563	4,553,315	3,686,563
Total Expenses	19,612,813	18,351,600	4,553,315	3,686,563	24,166,128	22,038,163
Increase Decrease in Net Position						
Before Transfers	(1,527,305)	(1,280,540)	581,286	910,509	(946,019)	(370,031)
Transfers		(382,300)		382,300		
Inc (Dec) Net Position	(1,527,305)	(1,662,840)	581,286	1,292,809	(946,019)	(370,031)
Net Position, May 1	(4,406)	32,159,933	8,640,898	7,461,745	8,636,492	39,621,678
Restatement - due to implementation of GASB 68		(30,501,499)		(113,656)		(30,615,155)
Net Position (Deficit) , April 30	\$ (1,531,711)	(4,406)	9,222,184	8,640,898	7,690,473	8,636,492

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

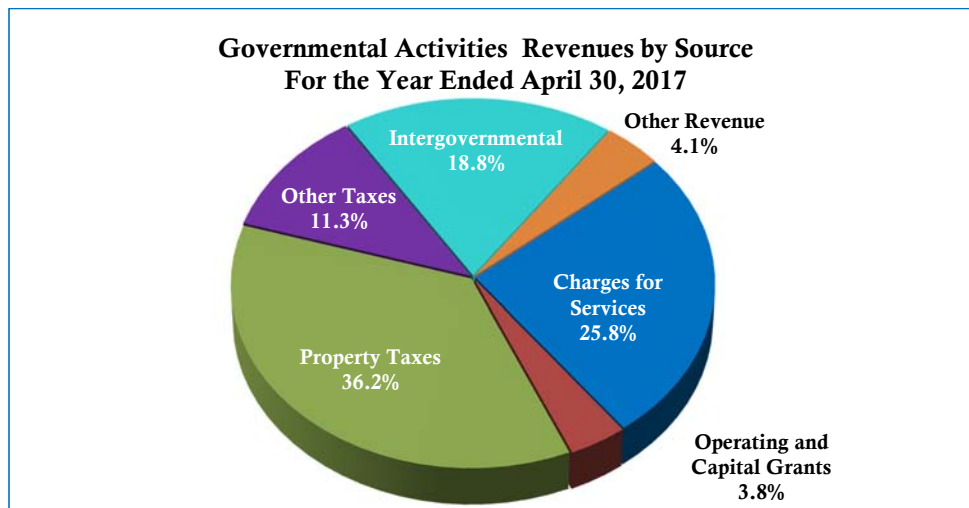
Governmental Activities

Governmental activities decreased the Village’s net position by \$1,527,305. 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, 2017, revenues from governmental activities totaled \$18,085,508 an increase of \$1,014,448. Property taxes continue to be the Village’s largest revenue source totaling \$6,547,365 and representing 36.2% of total governmental activities revenue. Other Taxes including, utility, non-home rule sales and transfer taxes totaled \$2,037,243 or 11.3%. Intergovernmental revenues including State sales tax, income tax and other intergovernmental revenues, totaled \$3,405,264 or 18.8% 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 \$150,779 or 2.4% in Fiscal Year 2017. Revenues include collections from the 2015 and 2016 Property Tax Levies. The 2016 Property Tax Levy was 0.86% higher than the 2015 levy. The increase in the levy is due to the increase in the Consumer Price Index from December 2014 through December 2015 of 0.7%, plus an additional amount for new property. Approximately half of the 2015 and 2016 Property Tax Levies, plus collections from prior years, were received during FY 2017. The increase in revenues was slightly higher because of the timing of actual payments from the two levies.



Sales and Non-Home Rule Sales Tax revenues were down the first half of the year due to lower sales from existing businesses, possibly due to competition from new retail stores in neighboring communities. A new retail sports apparel store filled a vacancy in the River Forest Town Center during the summer which helped to boost sales tax revenues in the second half of the fiscal year. Utility taxes are higher due to warmer summer and cooler winter weather conditions resulting in increased consumption. Real Estate Transfer Taxes are up due to an increase in residential homes sales activity and higher prices.

Intergovernmental Revenues include wireless, sales, state income, use and replacement taxes. State Use Tax revenue increased because Amazon began assessing the tax on purchases in the State beginning in February of 2015. State Income Tax declined due to lower Corporate Income Tax revenues and a change in the State’s accounting software that results in a more accurate distribution. The distribution change also caused an increase in the Personal Property Replacement Tax which is also funded with Corporate Income Tax Revenues.

Building permit revenue reflects an increase in residential, institutional and commercial improvements including a new five story residence hall for Concordia University and a 29 townhome residential development on Madison Street. Garbage collection charges are higher due to a 4% increase in the cost of sanitation services that is passed on to the customers and an increased demand for the new composting service. Investment income increased in 2017 due to higher interest rates.

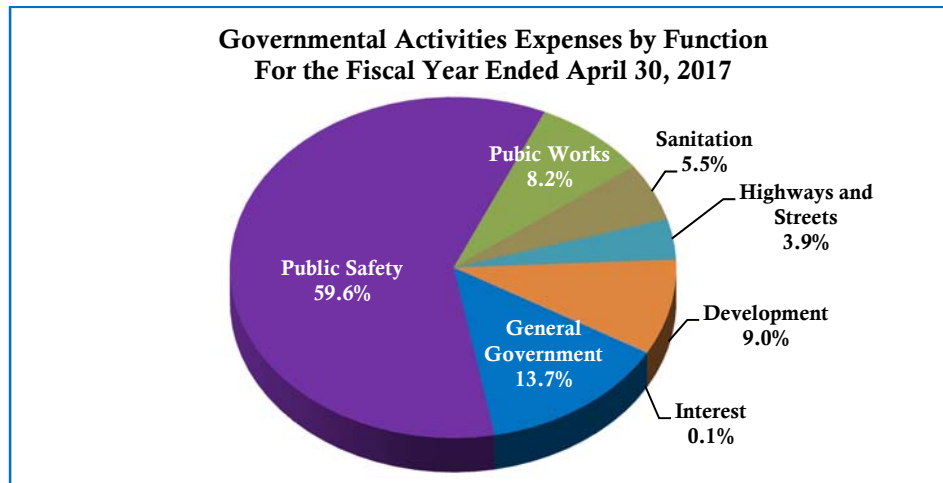
**VILLAGE OF RIVER FOREST ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**Changes in Select Governmental Activities Revenues
For the Fiscal Years Ended April 30, 2017 and April 30, 2016**

	Fiscal Year		Increase (Decrease)	% Increase (Decrease)
	2017	2016		
State Sales Tax	\$ 1,727,402	1,852,443	(125,041)	-6.8%
Non-Home Rule Sales Tax	824,652	885,574	(60,922)	-6.9%
Utility Taxes	614,522	559,018	55,504	9.9%
Transfer Tax	131,836	110,084	21,752	19.8%
Income Tax	1,056,031	1,190,627	(134,596)	-11.3%
Building Permits	1,113,029	471,698	641,331	136.0%
Garbage Collection Charges	997,436	947,369	50,067	5.3%

Expenses

For the fiscal year ended April 30, 2017, expenses from governmental activities totaled \$19,612,813, an increase of \$1,261,213 or 6.9% from Fiscal Year 2016. General Government includes Administration and Finance, Police and Fire Commission, Emergency 911 and Legal. Development includes the Building Division and Economic Development expenses. Salaries have been adjusted per increases in the collective bargaining agreements and for non-union employees. The increases in Public Safety were offset by lower employee salaries due to employee retirements and resulting position vacancies being filled with new hires that are paid at a lower rate. General government and development salaries includes an additional full-time position to process payroll, assist with building permit activity and perform other administrative tasks. The part-time administrative intern position was also charged to a full-time management analyst position during the year. The increase in development expenses is also due to increased costs for plan reviews and inspection services because of the high volume of building activity and economic development expenses associated with development at Lake and Lathrop.



Public Works expenses include increased tree, street and building maintenance expenses. Tree maintenance costs were elevated due to contractual tree trimming, removals and a complete inventory of trees in the Village that will be integrated into the Geographic Information System (GIS).

The chart below shows the GASB 68 pension expense reflected in the Statement of Activities by plan:

Fiscal Year	Governmental Activities GASB 68 Pension Expense by Pension Plan				
	IMRF	IMRF/ SLEP	Police Pension	Firefighters Pension	Total
2016	\$ 133,929	(4,332)	2,267,841	1,666,058	4,063,496
2017	195,684	3,172	2,340,027	2,057,860	4,596,743

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

Pension expense is the difference between the Net Pension Liability, and Deferred Inflows and Outflows from the prior to the current year and 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.

Business-Type Activities

Business-type activities increased the Village's net position by \$581,286 to \$9,222,184.

Revenues

Water and sewer sales increased \$542,640 or 11.9% in Fiscal Year 2017 due to a 8.7% overall rate increase effective May 1, 2016 to cover higher operating expenses and capital improvements including the Northside Stormwater Management Project (NSMP). The City of Chicago did not raise their rates during Fiscal Year 2017. The overall sales revenue increase was higher than expected due to an increase in billed water consumption due to warmer weather conditions.

Expenses

Expenses from business-type activities increased \$866,752 or 23.5% to \$4,553,315. This is due to increases in salaries, water and sewer infrastructure maintenance costs and an increase in the cost of water from the City of Chicago due to increased water consumption. Expenses also include interest on the bank loan and IEPA loan for the NSMP. The pension expense for the business type activities was \$73,087. 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 \$17,054,445 (as presented on pages 22-25), a decrease of \$209,116 from the prior year. Of the total fund balance, \$6,931,525 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 (\$2,724,622), legally required to remain intact (\$2,190,893) or committed by the Village for a particular purpose (\$5,207,405).

General Fund

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The 2017 unassigned fund balance for Village's General Fund increased by \$533,267 to \$6,931,525. The total fund balance increased by \$939,795 to \$10,301,605. This increase is because of higher than budgeted revenues including building permit fees and the net change in the IRMA Deposit of \$371,285. Property Tax revenues include the second installment of the 2015 levy collected in the fall of 2016, and the first installment of the 2016 levy collected in the spring of 2017.

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

General Government expenditures are higher due to salary increases and two part-time employees being reclassified to full-time positions during the year. Liability insurance costs were slightly lower than expected. Building and Development include higher salaries and increased inspection and plan review costs due to the large volume of building permit activity. Overall Police and Fire Department expenditures are higher. Salaries include increases provided for in the collective bargaining agreement for the Police employees. Public Safety pension contributions were increased per the transition plan provided for with the Pension Funding Polices for the funds approved by the Village Board and the respective pension boards. Fire Personal Services are lower due to employee retirements. New employees filling the vacancies are compensated at a lower rate. Fire Personal Services also includes a one-time sick leave payment due to an employee retirement. Public Works expenditures are higher due to salary increases per the approved collective bargaining agreement and higher tree, building and street maintenance costs.

The nonspendable portion of fund balance increased \$401,737 primarily due to an increase in the deposit with IRMA, the Village's public entity risk pool. The restricted fund balance decreased by \$1,331,533 due to economic development expenditures for the River Forest Town Center and future development at Lake and Lathrop 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, 2017, this amount is \$7,466,557 or 47.2% of Fiscal Year 2018 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 decreased \$70,210 during the fiscal year to \$3,632,712 because revenues and other financing sources were less than capital expenditures. Purchases included Police, Fire and Public Works vehicles and equipment.

Proprietary Fund

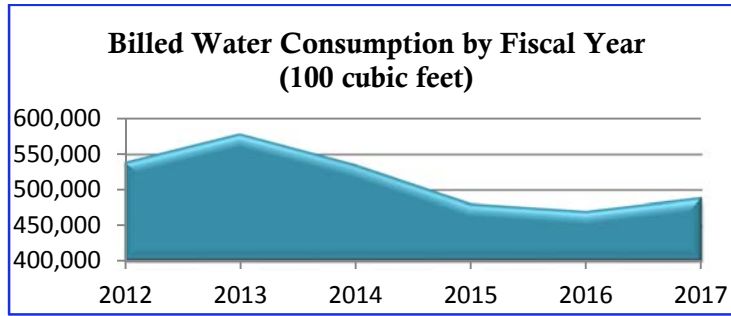
At April 30, 2017 the Waterworks and Sewerage Fund (as presented on pages 26-28) total net position increased by \$581,286 to \$9,222,184. Operating revenues exceeded operating expenses including depreciation.

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

	Fiscal Year		Increase (Decrease)	% Increase (Decrease)
	2017	2016		
Operating Revenues	\$ 5,112,341	4,569,701	542,640	11.9%
Operating Expenses	4,225,878	3,515,540	710,338	20.2%
Operating Income	886,463	1,054,161	(167,698)	-15.9%
Nonoperating Revenue (Expenses)	(305,177)	238,648	(543,825)	-227.9%
Change in Net Position	581,286	1,292,809	(711,523)	-55.0%
Net Position				
Beginning	8,640,898	7,461,745	1,179,153	15.8%
Restatement		(113,656)	113,656	
Ending	\$ 9,222,184	\$ 8,640,898	\$ 581,286	6.7%

Water and Sewer Sales are higher because water consumption increased during the year and also because rates were raised 8.7% on May 1, 2016 to cover increases in operating costs and capital improvements including the Northside Stormwater Management Project (NSMP). The increase in consumption was due to warmer summer weather conditions. Expenses include the interest on the IEPA Loan that financed the Northside Stormwater Management Project.

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



GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund actual revenues were \$819,243 more than the final budgeted amount. The overage is due to higher than expected building permit revenues and the net change in the IRMA deposit. These increases were offset by lower than expected Sales and State Income Tax revenues.

Actual expenditures were \$200,971 less than budgeted expenditures. This was primarily due to lower than expected salary expenditures due to position vacancies and smaller than anticipated increases in health insurance costs. Sanitation costs were higher due to a 4% increase in the new contract with the service provider and the addition of composting services. These cost increases are passed along to customers. The Emergency 911 expenditures were higher because the method used to count calls was revised resulting in a higher allocation to River Forest.

The General Fund budget was amended during the fiscal year to add an additional \$25,000 to the Transfer to the Madison Street TIF Fund to cover the cost of establishing the new TIF District. Although the total expenditure budget did not change, a budget transfer between departments was also approved. Excess budgeted funds were transferred from police and fire salaries to cover additional costs for administration and building salaries, consulting, information technology and legal, inspection and plan review services.

General Fund Budgetary Highlights

	2017 Original Budget	2017 Final Budget	2017 Actual	Final vs. Actual Over (Under)
Revenues	\$ 15,316,077	15,316,077	16,135,320	819,243
Expenditures	15,018,812	15,018,812	14,817,841	(200,971)
Excess of Revenues over Expenditures	297,265	297,265	1,317,479	1,020,214
Other Financing Uses	(470,250)	(495,250)	(377,684)	117,566
Net Change in Fund Balance	\$ (172,985)	(197,985)	939,795	1,137,780

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, 2017 amounts to \$40,461,324. 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 \$808,111.

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

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

- The replacement of three Police Department vehicles
- A wireless network upgrade for the Village Hall.
- The purchase of a 2017 Pelican Street Sweeper.
- The purchase of a 2017 Darley Fire Engine chassis.
- The purchase of a Water Valve Operator.
- Reconstruction of the West Thatcher Commuter Parking Lot.
- Village hall and public works garage roof replacements.
- The reconstruction of alleys on Quick Avenue and William Street.

Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land and Right of Way	\$ 4,965,950	4,965,950	500	500	4,966,450	4,966,450
Buildings	3,847,400	3,140,104	200,427	211,060	4,047,827	3,351,164
Water Distribution and Sewer Systems			19,711,695	19,932,615	19,711,695	19,932,615
Vehicles and Equipment	2,221,977	1,970,358	456,496	398,283	2,678,473	2,368,641
Infrastructure	7,385,575	7,472,633	1,517,744	1,561,710	8,903,319	9,034,343
Construction in Progress	153,560				153,560	
	<u>\$ 18,574,462</u>	<u>\$ 17,549,045</u>	<u>21,886,862</u>	<u>22,104,168</u>	<u>40,461,324</u>	<u>39,653,213</u>

The governmental activities net capital assets increased \$1,025,417 from last year, due to an increase in assets as a result of alley, parking lot and building improvements and the purchase of the vehicles and equipment, less a decrease due to the sale of vehicles and depreciation. The alley and parking lot improvements were green improvements that included permeable surfaces.

The net decrease in the business-type activities of \$217,306 is primarily due to depreciation of capital assets partially offset by purchases of vehicles and equipment and sewer improvements. Detailed information on the current fiscal year changes in the Village’s capital assets is provided in the *Notes to the Financial Statements*, Note 6 starting on page 44.

Long-Term Debt

The table below provides a comparison of governmental and business-type long-term debt for fiscal years 2017 and 2016. The Village decreased its general obligation debt by \$399,480 in Fiscal Year 2017 due to principal payments. Business-Type Activities Long-Term Debt decreased by \$786,776 primarily due to principal payments. The project was completed during the Fiscal Year 2016 and the final IEPA Loan proceeds were disbursed completed. The final amount of the loan is \$14,711,293.

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

Long-Term Debt

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
General Obligation Bonds	\$ 242,820	482,300	335,000	495,000	577,820	977,300
IEPA Loan	-	-	14,166,890	14,699,420	14,166,890	14,699,420
Bank Loan			98,508	150,361	98,508	150,361
Compensated Absences	544,013	549,768	38,075	33,531	582,088	583,299
Net Pension Liability	38,926,097	38,829,010	331,523	385,246	39,257,620	39,214,256
Other Post-Employment Benefits	1,668,117	1,542,020	45,924	39,138	1,714,041	1,581,158
	<u>\$ 41,381,047</u>	<u>\$ 41,403,098</u>	<u>15,015,920</u>	<u>15,802,696</u>	<u>56,396,967</u>	<u>57,205,794</u>

The outstanding general obligation debt consists of bonds issued for improvements to the River Forest Public Library (\$50,000) and the bonds issued to pay down the loan used for Phase 0 of the NSMP (\$192,820). 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 also to be funded via the sewer rate. As an Illinois non-home rule community, the Village is subject to debt limitation. The Village maintained an Aa2 rating from Moody’s Investors Service and AAA rating from Standard and Poor’s.

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 increase due to higher vacation accruals and decrease because of retirement payouts during the fiscal year. The Net Pension Liability reflects the amount of the Total Liability for the Police, Firefighter, IMRF and SLEP pensions less each plan’s fiduciary net position at the end of the fiscal year.

Other Postemployment 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 Funds. 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.

Note 7 of the Notes to the Financial Statements, on page 46, provide more detailed information on the Village’s long-term debt.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

The Village revenues overall have remained stable. Sales tax revenues have decreased during the first half of the fiscal year, but rebounded due to a new sports apparel store that opened in the River Forest Town Center. Sale Tax and Non Home Rule Sales Tax revenues are expected to increase further next year because a Fresh Thyme grocery store opened in June of 2017. The Town Center experienced a couple of vacancies during the year but the larger vacant space was filled and is operational. In September of 2017 a children’s urgent care facility opened in the final vacant space. 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.



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



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 and a new Tax Increment Financing District (TIF) was established along Madison Street. In addition another TIF is being evaluated, on North Avenue. Both are major corridors and border the Village's north and south sides. Funds were expended

during the year for development at Lake and Lathrop and additional monies are set aside for improvements there. 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 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. There was some delay in construction due to unexpected structural issues but the store was completed and opened in June of 2017.



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 2018 budget proposes an increase in General Fund property tax revenues which includes the second installment of the 2016 Property Tax levy. This levy includes a 0.7%

increase in the Consumer Price Index. The 2017 property tax levy will include a 2.1% increase in the Consumer Price index. The first installment will be collected in the spring of Fiscal Year 2018.

The Village increased water and sewer rates 4.7% overall effective June 1, 2017 in order to cover higher operating and capital expenses including funding for sewer relining and water main replacements. The Village updated its 2012 Water and Sewer Rate Study during the fiscal year to ensure the sustainability of the Waterworks and Sewerage Fund. Based on the new study a planned rate schedule was developed that will cover operating expenses and fund future capital improvements. The Village purchases water directly from the City of Chicago. The City raised rates 1.83% effective June 1, 2017 and is expected to raise rates annually based on the increase in the Consumer Price Index.

Budgeted expenditures include increases due to estimated salary adjustments which are part of employee collective bargaining agreements. New three year Police and Public Works agreements were approved that cover the period through April 30, 2019. Negotiations continue with the Firefighter and Fire Lieutenant's unions. Their agreements expired in April of 2016. Employee health insurance and Illinois Municipal Retirement Fund contributions are also expected to moderately increase. The Fiscal Year 2018 General Fund budget includes increases to the Village's contribution to the Police and Firefighters' Pension Funds of 9.4% and 9.0%, 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 is utilizing a five-year transition plan to reach the optimum funding policy beginning with the amounts budgeted in FY 2015. Contributions are supposed to reach the full amount required per the Pension Funding Policies in FY 2019. Another of series of meetings with the actuary, pension boards and Finance Committee are planned in FY 2018 to discuss the progress of the funds and review the Pension Funding Policies.

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 information technology, building and infrastructure improvements including alleys, parking lots and lighting systems. In prior years these

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

projects were funded with General Fund reserves. Village Hall (\$352,725) and Public Works Garage (\$236,000) improvements, alley replacements (\$200,000) and information technology projects (\$237,170) are planned in Fiscal Year 2018. Commuter parking lot improvements are funded using reserves that are accumulated in the fund from a portion of daily and permit parking fees 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.

BASIC FINANCIAL STATEMENTS

VILLAGE OF RIVER FOREST, ILLINOIS

Statement of Net Position

April 30, 2017

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 4,313,255	1,033,394	5,346,649
Investments	9,330,316	496,328	9,826,644
Receivables			
Taxes	3,247,646		3,247,646
Accounts	22,821	839,931	862,752
Intergovernmental	1,061,065		1,061,065
Other	575,027		575,027
Internal Balances	(143,896)	143,896	
Prepaid Items	275,104	40,563	315,667
Deposit - Public Entity Risk Pool	2,434,332	18,588	2,452,920
Inventory	15,186		15,186
Capital Assets Not Being Depreciated	5,119,510	500	5,120,010
Capital Assets, Net of Accumulated Depreciation	13,454,952	21,886,362	35,341,314
Total Assets	39,705,318	24,459,562	64,164,880
Deferred Outflows of Resources			
Deferred Outflows of Resources - Pensions	6,284,476	154,128	6,438,604
Liabilities			
Accounts Payable	659,318	256,878	916,196
Accrued Interest	1,869		1,869
Deposits Payable		112,865	112,865
Due to Fiduciary Funds	135,244		135,244
Other Payables	92,078		92,078
Noncurrent Liabilities			
Due Within One Year	351,623	831,856	1,183,479
Due in More Than One Year	41,029,424	14,184,064	55,213,488
Total Liabilities	42,269,556	15,385,663	57,655,219
Deferred Inflows of Resources			
Deferred Property Taxes	3,189,771		3,189,771
Deferred Inflows of Resources - Pensions	2,062,178	5,843	2,068,021
Total Deferred Inflows of Resources	5,251,949	5,843	5,257,792
Net Position			
Net Investment in Capital Assets	18,574,462	7,286,464	25,860,926
Restricted for Working Cash	535,032		535,032
Restricted for Public Safety	110,426		110,426
Restricted for Economic Development	737,776		737,776
Restricted for Road Construction	622,004		622,004
Restricted for Debt Service	185,655		185,655
Restricted for Grant Programs		31,044	31,044
Unrestricted	(22,297,066)	1,904,676	(20,392,390)
Total Net Position (Deficit)	\$ (1,531,711)	9,222,184	7,690,473

VILLAGE OF RIVER FOREST, ILLINOIS

Statement of Activities

Year Ended April 30, 2017

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants
Governmental Activities				
General Government	\$ 2,691,842	2,172,129	90,344	
Development	1,773,443			
Public Safety	11,693,602	1,503,040		236,734
Public Works	1,612,495			
Highways and Streets	752,242		358,730	
Sanitation	1,081,483	997,436		
Interest	7,706			
Total Governmental Activities	19,612,813	4,672,605	449,074	236,734
Business-Type Activities				
Waterworks and Sewerage	4,553,315	5,112,341		
	<u>\$ 24,166,128</u>	<u>9,784,946</u>	<u>449,074</u>	<u>236,734</u>

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
 Gain on Sale

Total General Revenues

Change in Net Position

Net Position (Deficit)

 Beginning

 Ending

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(429,369)		(429,369)
(1,773,443)		(1,773,443)
(9,953,828)		(9,953,828)
(1,612,495)		(1,612,495)
(393,512)		(393,512)
(84,047)		(84,047)
(7,706)		(7,706)
(14,254,400)	-	(14,254,400)
	559,026	559,026
(14,254,400)	559,026	(13,695,374)
6,547,365		6,547,365
824,652		824,652
614,522		614,522
309,679		309,679
288,390		288,390
1,727,402		1,727,402
1,056,031		1,056,031
621,831		621,831
604,151	8,545	612,696
114,035	4,451	118,486
19,037	9,264	28,301
12,727,095	22,260	12,749,355
(1,527,305)	581,286	(946,019)
(4,406)	8,640,898	8,636,492
(1,531,711)	9,222,184	7,690,473

VILLAGE OF RIVER FOREST, ILLINOIS

Balance Sheet – Governmental Funds

April 30, 2017

	General	Capital Equipment Replacement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and Cash Equivalents	\$ 1,597,434	522,321	2,193,500	4,313,255
Investments	4,992,762	3,255,865	1,081,689	9,330,316
Receivables				
Taxes	3,128,158		119,488	3,247,646
Accounts			22,821	22,821
Intergovernmental	952,067		58,615	1,010,682
Refuse	223,544			223,544
Interest	19,153	18,028	13,202	50,383
Other	201,481	23,330	126,672	351,483
Due From Other Funds	100,000			100,000
Prepaid Items	275,104			275,104
Deposit - Public Entity Risk Pool	2,434,332			2,434,332
Inventory	15,186			15,186
Total Assets	\$ 13,939,221	3,819,544	3,615,987	21,374,752
Liabilities				
Accounts Payable	\$ 340,011	42,936	276,371	659,318
Due to Other Funds			100,000	100,000
Due to Fiduciary Funds	135,244			135,244
Advances From Other Funds		143,896		143,896
Other Payables	92,078			92,078
Total Liabilities	567,333	186,832	376,371	1,130,536
Deferred Inflows of Resources				
Unavailable Property Taxes	3,070,283		119,488	3,189,771
Fund Balances				
Nonspendable				
Prepaid Items	275,104			275,104
Deposit - Public Entity Risk Pool	2,434,332			2,434,332
Inventory	15,186			15,186
Restricted				
Working Cash	535,032			535,032
Public Safety	110,426			110,426
Economic Development			737,776	737,776
Road Construction			622,004	622,004
Debt Service			185,655	185,655
Committed				
Parking			678,125	678,125
Capital Improvements		3,632,712	896,568	4,529,280
Unassigned	6,931,525			6,931,525
Total Fund Balances	10,301,605	3,632,712	3,120,128	17,054,445
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 13,939,221	3,819,544	3,615,987	21,374,752

VILLAGE OF RIVER FOREST, ILLINOIS

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

April 30, 2017

Total Fund Balances - Governmental Funds		\$ 17,054,445
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.		18,574,462
Deferred Outflows of Resources, Pension Related		6,284,476
Deferred Inflows of Resources, Pension Related		(2,062,178)
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	(242,820)	
Accrued Interest	(1,869)	
Postemployment Benefits Payable	(1,668,117)	
Accrued Compensated Absences Payable	(544,013)	
Net Pension Liabilities	<u>(38,926,097)</u>	
		<u>(41,382,916)</u>
Net Position (Deficit) of Governmental Activities		<u>\$ (1,531,711)</u>

VILLAGE OF RIVER FOREST, ILLINOIS

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

Year Ended April 30, 2017

	General	Capital Equipment Replacement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 8,324,934		259,674	8,584,608
Intergovernmental	3,472,787		1,095,753	4,568,540
Licenses and Permits	1,762,852			1,762,852
Charges for Services	1,677,926		64,095	1,742,021
Fines and Forfeits	244,427		923,305	1,167,732
Investment Income	53,245	37,705	23,085	114,035
Miscellaneous	599,149	5,002		604,151
Total Revenues	16,135,320	42,707	2,365,912	18,543,939
Expenditures				
Current				
General Government	2,282,147		84,083	2,366,230
Public Safety	9,364,470			9,364,470
Public Works	1,609,706			1,609,706
Highways and Streets			348,758	348,758
Sanitation	1,081,483			1,081,483
Development	480,035		1,293,408	1,773,443
Debt Service				
Principal Retirement			239,480	239,480
Interest and Fiscal Charges			8,302	8,302
Capital Outlay		562,073	1,427,375	1,989,448
Total Expenditures	14,817,841	562,073	3,401,406	18,781,320
Excess (Deficiency) of Revenues Over Expenditures	1,317,479	(519,366)	(1,035,494)	(237,381)
Other Financing Sources (Uses)				
Transfers In	43,207	421,250		464,457
Transfers Out	(421,250)		(43,207)	(464,457)
Sale of Capital Assets	359	27,906		28,265
Total Other Financing Sources (Uses)	(377,684)	449,156	(43,207)	28,265
Net Change in Fund Balances	939,795	(70,210)	(1,078,701)	(209,116)
Fund Balances				
Beginning	9,361,810	3,702,922	4,198,829	17,263,561
Ending	\$ 10,301,605	3,632,712	3,120,128	17,054,445

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, 2017

Net Change in Fund Balances – Governmental Funds \$ (209,116)

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	1,646,697	
Depreciation Expense	<u>(612,052)</u>	
		1,034,645

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. (9,228)

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. 239,480

Revenues in the Statement of Activities that do not provide current financial
resources are not reported as revenues in the governmental funds. (477,468)

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	135,163	
Change in Fire Net Pension Liability	(1,312,742)	
Change in Police Net Pension Liability	1,080,492	
Change in Deferred Outflows for Pensions	(419,899)	
Change in Deferred Inflows for Pensions	(1,468,886)	
Change in Other Postemployment Benefits Payable	(126,097)	
Change in Compensated Absences Payable	<u>5,755</u>	
		(2,106,214)

Interest on long-term debt is shown as a fund expenditure when paid,
but is accrued in the Statement of Activities. 596

Change in Net Position of Governmental Activities \$ (1,527,305)

VILLAGE OF RIVER FOREST, ILLINOIS

Waterworks and Sewerage Fund

Statement of Net Position – Proprietary Fund

April 30, 2017

Assets

Current Assets

Cash and Cash Equivalents	\$ 1,033,394
Accounts Receivable	839,931
Investments	496,328
Prepaid Items	40,563
Deposit - Public Entity Risk Pool	18,588
Total Current Assets	<u>2,428,804</u>

Noncurrent Assets

Advances to Other Funds	143,896
Capital Assets, Net of Accumulated Depreciation	<u>21,886,862</u>
Total Noncurrent Assets	<u>22,030,758</u>

Total Assets

24,459,562

Deferred Outflows of Resources

Deferred Outflows of Resources Related to Pension (IMRF)	<u>154,128</u>
--	----------------

Liabilities

Current Liabilities

Accounts Payable	256,878
Deposits Payable	112,865
General Obligation Bonds Payable - Current	165,000
Loans Payable - Current	51,846
IEPA Loan Payable	607,395
Compensated Absences - Current	7,615
Total Current Liabilities	<u>1,201,599</u>

Noncurrent Liabilities

General Obligation Bonds Payable	170,000
Loans Payable	46,662
IEPA Loan Payable	13,559,495
Compensated Absences	30,460
Other Postemployment Benefits Payable	45,924
Net Pension Liability	331,523
Total Noncurrent Liabilities	<u>14,184,064</u>

Total Liabilities

15,385,663

Deferred Inflows of Resources

Deferred Inflows of Resources Related to Pension (IMRF)	<u>5,843</u>
---	--------------

Net Position

Net Investment in Capital Assets	7,286,464
Restricted for Grant Programs	31,044
Unrestricted Net Position	<u>1,904,676</u>

Total Net Position

\$ 9,222,184

VILLAGE OF RIVER FOREST, ILLINOIS

Waterworks and Sewerage Fund

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

Year Ended April 30, 2017

Operating Revenues	
Charges for Services	
Water Sales	\$ 3,079,054
Sewer Charges	2,013,015
Sales of Meters	20,272
Total Operating Revenues	<u>5,112,341</u>
Operating Expenses, Excluding Depreciation	
Personal Services	1,000,689
Contractual Services	421,524
Commodities	1,683,239
Capital Outlay	767,942
Total Operating Expenses, Excluding Depreciation	<u>3,873,394</u>
Operating Income Before Depreciation	1,238,947
Depreciation	<u>352,484</u>
Operating Income	<u>886,463</u>
Nonoperating Revenues (Expenses)	
Investment Income	4,451
Interest Expense	(327,437)
Gain on Disposal of Property	9,264
Miscellaneous	8,545
Total Nonoperating Revenues (Expenses)	<u>(305,177)</u>
Change in Net Position	581,286
Net Position	
Beginning	<u>8,640,898</u>
Ending	<u>\$ 9,222,184</u>

VILLAGE OF RIVER FOREST, ILLINOIS

Waterworks and Sewerage Fund

Statement of Cash Flows – Proprietary Fund

Year Ended April 30, 2017

Cash Flows From Operating Activities	
Receipts From Customers	\$ 5,701,322
Payments to Suppliers	(2,841,469)
Payments to Employees	(1,037,239)
Net Cash Provided by Operating Activities	<u>1,822,614</u>
Cash Flows From Noncapital Financing Activities	
Advances to Other Funds	<u>44,957</u>
Cash Flows From Capital and Related Financing Activities	
Interest Paid	(318,148)
Loan Proceeds	11,873
Purchases of Capital Assets	(668,988)
Proceeds From Disposal of Property	9,264
Principal Payments on Loans	(596,256)
Principal Payment on General Obligation Bonds	(160,000)
Net Cash Used for Capital and Related Financing Activities	<u>(1,722,255)</u>
Cash Flows From Investing Activities	
Interest	4,451
Purchase of Investments	(347,528)
Net cash used for investing activities	<u>(343,077)</u>
Net Decrease in Cash and Cash Equivalents	(197,761)
Cash and Cash Equivalents	
Beginning of Year	<u>1,231,155</u>
End of Year	<u>\$ 1,033,394</u>
Reconciliation of Operating Income to Net Cash	
Provided by Operating Activities	
Operating Income	\$ 886,463
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities	
Depreciation	352,484
Miscellaneous Revenues	8,545
Changes in Assets and Liabilities	
Decrease in Accounts Receivable	580,983
Decrease in Prepaid Items	5,853
Decrease in Deferred Outflows - Pensions	41,388
Decrease in Accounts Payable	(8,394)
Decrease in Deposit - Public Entity Risk Pool	(8,511)
Increase in Deposits Payable	900
Increase in Deferred Inflows - Pensions	5,296
Increase in Compensated Absences Payable	4,544
Increase in Other Postemployment Benefits Payable	6,786
Decrease in Net Pension Liability	(53,723)
Net Cash Provided by Operating Activities	<u>\$ 1,822,614</u>

VILLAGE OF RIVER FOREST, ILLINOIS

Statement of Fiduciary Net Position – Pension Trust Funds

April 30, 2017

	<u>Pension Trusts</u>
Assets	
Cash and Cash Equivalents	\$ 2,108,867
Investments	
Equities	637,305
Corporate Bonds	5,858,434
Municipal Bonds	112,410
U.S. Government Obligations	7,000,730
Mutual Funds	18,363,385
Insurance Company Contracts	2,653,783
Accrued Interest	88,357
Due From Municipality	135,244
Prepaid Expense	<u>13,065</u>
Total Assets	36,971,580
Liabilities	
Accounts Payable	<u>13,366</u>
Net Position Restricted for Pensions	<u><u>\$ 36,958,214</u></u>

VILLAGE OF RIVER FOREST, ILLINOIS

Statement of Changes in Fiduciary Net Position – Pension Trust Funds

Year Ended April 30, 2017

	<u>Pension Trusts</u>
Additions	
Contributions	
Participant Contributions	\$ 442,422
Employer Contributions	<u>2,415,944</u>
	<u>2,858,366</u>
Investment Income	
Net Appreciation in Fair Value of Investments	2,350,285
Interest and Dividends	<u>844,218</u>
	3,194,503
Less Investment Expense	<u>109,825</u>
Net Investment Loss	<u>3,084,678</u>
Total Additions	<u>5,943,044</u>
Deductions	
Benefits	3,621,659
Refunds	1,544
Administrative Expense	<u>163,719</u>
Total Deductions	<u>3,786,922</u>
Change in Net Position	2,156,122
Net Position Restricted for Pensions	
Beginning	<u>34,802,092</u>
Ending	<u>\$ 36,958,214</u>

VILLAGE OF RIVER FOREST, ILLINOIS

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April 30, 2017

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VILLAGE OF RIVER FOREST, ILLINOIS

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VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

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, 2017, 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, 2017.

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, 2017

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, 2017

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 and other tax revenues including sales, use, utility, income, and 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 and sewer services, including infrastructure maintenance and improvements 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, 2017

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, 2017

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, 2017

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 reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure/reduction of liability) 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 or reduction of pension liability 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 reporting 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 2016 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 (the Plans) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by the Plans. 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, 2017

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 – Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

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, 2017

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, deferred outflows of resources, liabilities, and deferred inflows of resources 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

During 2017, the Village adopted Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application* (GASB 72). GASB 72 requires a government to use valuation techniques that are appropriate under circumstances and for which sufficient data are available to measure fair value. The Village utilizes the market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities. This Statement established a hierarchy of inputs to valuation techniques used to measure fair value.

2. Fund Equity

The Madison Street TIF Fund had a deficit in fund balance of \$97,493 at April 30, 2017. General Fund revenues were used to pay the costs associated with establishing the TIF.

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 \$1,660,997 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 .805% at April 30, 2017. 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 which yielded .96% at April 30, 2017 and the IMET 1-3 Year Fund which yielded 1.20% April 30, 2017.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

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, 2017, 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	\$ 2,365,878	2,365,878		
Certificates of Deposit	7,433,804	4,021,988	3,411,816	
Municipal Bonds	192,820	192,820		
Federal Farm Credit Bonds	429,686		429,686	
Federal Home Loan Bank	998,936		998,936	
Federal Home Loan Mortgage Corporation	750,150	399,160	329,967	21,023
Government National Mortgage Association	21,248			21,248
	<u>\$ 12,192,522</u>	<u>6,979,846</u>	<u>5,170,405</u>	<u>42,271</u>
*Illinois Funds	<u>\$ 1,317,874</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, 2017, the Illinois Funds Money Market was rated AAAM by Standard & Poor's.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

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, 2017, 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. Fair Value of Assets

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.
- Level 2** Inputs other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3** Unobservable inputs for an asset or liability.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

4. Fair Value of Assets (Cont.)

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at April 30, 2017:

Village

Investment Type	Fair Value Measurements			
	4/30/17	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Negotiable CDs	\$ 3,869,542		3,869,542	
U.S. Agencies	2,200,020		2,200,020	
Municipal Bonds	192,820		192,820	
Total	\$ 6,262,382	-	6,262,382	-

Police Pension

Investment Type - By Fair Value				
U.S. Obligations	\$ 3,627,842		3,627,842	
U.S. Agencies	745,214		745,214	
Municipal Bonds	112,410		112,410	
Corporate Bonds	2,719,732		2,719,732	
Annuity - Insurance Contract	1,594,806	612,288	982,518	
Mutual Funds - Equity	11,491,788	11,491,788		
Total	\$ 20,291,792	12,104,076	8,187,716	-

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented in the following table.

Investments Measured at the NAV

	Investments Measured at the NAV			
	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Annuity - Real Estate Funds	\$ 1,058,977		N/A	N/A

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

4. Fair Value of Assets (Cont.)

Fire Pension

Investment Type	Fair Value Measurements			
	April 30, 2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Obligations	\$ 1,304,463		1,304,463	
U.S. Agencies	1,323,211		1,323,211	
Corporate Bonds	3,138,702		3,138,702	
Mutual Funds - Equity	6,871,597	6,871,597		
Common Stock	637,305	637,305		
Total	\$ 13,275,278	7,508,902	5,766,376	-

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying statement of net position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the years ended April 30, 2017.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

5. Receivables

Property taxes for 2016 attach as an enforceable lien on January 1, 2016. Taxes are levied by December 2016, 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, 2017. The County collects such taxes and remits them periodically. The Village deferred recognition of the second installment of the 2016 property tax levy due to the second installment being intended to fund the next fiscal year's operations.

At April 30, 2017, taxes and intergovernmental receivables consisted of the following:

	Governmental Funds		Total
	General Fund	Nonmajor Funds	
Receivables			
Taxes			
Property Taxes	\$ 3,069,904	119,488	3,189,392
Other Taxes			
Utility Tax	44,072		44,072
Places of Eating Tax	14,182		14,182
Total Taxes	<u>3,128,158</u>	<u>119,488</u>	<u>3,247,646</u>
Intergovernmental			
Sales Tax	595,654		595,654
Telecom	75,802		75,802
Use Tax	65,267		65,267
Income	170,300		170,300
Replacement	25,826		25,826
Motor Fuel Tax		24,461	24,461
Accounts, Net	19,218	34,154	53,372
Total Intergovernmental	<u>952,067</u>	<u>58,615</u>	<u>1,010,682</u>
	<u>\$ 4,080,225</u>	<u>178,103</u>	<u>4,258,328</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, 2017

6. 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
Capital Assets Not Being Depreciated				
Land	\$ 1,139,497			1,139,497
Right of Ways	3,826,453			3,826,453
Construction in Progress		153,560		153,560
	<u>4,965,950</u>	<u>153,560</u>	<u>-</u>	<u>5,119,510</u>
Capital Assets Being Depreciated				
Buildings	4,833,404	807,616		5,641,020
Vehicles and Equipment	4,168,439	547,184	198,745	4,516,878
Infrastructure	12,625,071	138,337	1,533	12,761,875
	<u>21,626,914</u>	<u>1,493,137</u>	<u>200,278</u>	<u>22,919,773</u>
Less Accumulated Depreciation For				
Buildings	1,693,300	100,320		1,793,620
Vehicles and Equipment	2,198,080	286,338	189,517	2,294,901
Infrastructure	5,152,439	225,394	1,533	5,376,300
	<u>9,043,819</u>	<u>612,052</u>	<u>191,050</u>	<u>9,464,821</u>
Total Capital Assets Being Depreciated, Net	<u>12,583,095</u>	<u>881,085</u>	<u>9,228</u>	<u>13,454,952</u>
Governmental Activities Capital Assets, Net	<u>\$ 17,549,045</u>	<u>1,034,645</u>	<u>9,228</u>	<u>18,574,462</u>

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

6. 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
Capital Assets Not Being Depreciated				
Land	\$ 500			500
Capital Assets Being Depreciated				
Buildings	921,217			921,217
Vehicles and Equipment	944,219	123,305	148,808	918,716
Water Distribution System	5,571,977			5,571,977
Sewer System	16,983,832	11,873		16,995,705
Curbs and Gutters	2,641,730			2,641,730
	<u>27,062,975</u>	<u>135,178</u>	<u>148,808</u>	<u>27,049,345</u>
Less Accumulated Depreciation For				
Buildings	710,157	10,633		720,790
Vehicles and Equipment	545,935	65,093	148,808	462,220
Water Distribution System	1,115,472	67,780		1,183,252
Sewer System	1,507,723	165,012		1,672,735
Curbs and Gutters	1,080,020	43,966		1,123,986
	<u>4,959,307</u>	<u>352,484</u>	<u>148,808</u>	<u>5,162,983</u>
Total Capital Assets Being Depreciated, Net	<u>22,103,668</u>	<u>(217,306)</u>	<u>-</u>	<u>21,886,362</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 22,104,168</u>	<u>(217,306)</u>	<u>-</u>	<u>21,886,862</u>

C. Depreciation Expense

Depreciation expense was charged to functions/programs as follows:

	Governmental Activities	Business-Type Activities
General Government	\$ 111,732	
Public Safety	211,115	
Highways and Streets	289,205	
Waterworks and Sewerage		352,484
	<u>\$ 612,052</u>	<u>352,484</u>

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

6. Capital Assets (Cont.)

D. Commitments

The Village has certain contracts for construction projects which were in progress as of April 30, 2017. The remaining commitments are as follows:

2017 Street Improvement Program	\$ 250,898
Chicago Avenue Resurfacing Engineering	78,470
2017 Curb and Sidewalk Replacement	54,745
2017 Street Patching Program	44,971
Tree Trimming Program	7,599
Tree and Stump Removal Program	35,304
Lake and Lathrop Economic Development	744,538
Lake and Harlem Economic Development	26,550

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 \$89,181 related to this agreement during fiscal year 2017 and \$309,050 since the inception of the agreement. The agreement has a maximum amount of \$335,600. As of April 30, 2017, \$26,550 was the maximum amount remaining.

7. 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, 2017.

	Maturity Date	Balance May 1	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	\$ 100,000		50,000	50,000	50,000
Series 2016						
1.25%	12/01/17	382,300		189,480	192,820	192,820
		482,300		239,480	242,820	242,820
Compensated Absences		549,768	544,013	549,768	544,013	108,803
Net Pension Liabilities		38,829,010	2,703,533	2,606,446	38,926,097	
Other Postemployment Benefits		1,542,020	126,097		1,668,117	
		<u>\$ 41,403,098</u>	<u>3,373,643</u>	<u>3,395,694</u>	<u>41,381,047</u>	<u>351,623</u>

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

7. Long-Term Debt (Cont.)

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

	Maturity Date	Balance May 1	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	\$ 495,000		160,000	335,000	165,000
IEPA Loan 2.21%	5/06/36	14,699,420	11,873	544,403	14,166,890	607,395
Loans Payable 2.20%	11/15/24	150,361		51,853	98,508	51,846
Compensated Absences		33,531	38,075	33,531	38,075	7,615
Net Pension Liability		385,246	5,512	59,235	331,523	
Other Postemployment Benefits		39,138	6,786		45,924	
		<u>\$ 15,802,696</u>	<u>62,246</u>	<u>849,022</u>	<u>15,015,920</u>	<u>831,856</u>

Compensated absences, net pension liabilities and other postemployment 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.

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
2018	\$ 242,820	4,484	165,000	13,570	407,820	18,054
2019			170,000	6,970	170,000	6,970
	<u>\$ 242,820</u>	<u>4,484</u>	<u>335,000</u>	<u>20,540</u>	<u>577,820</u>	<u>25,024</u>

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

7. Long-Term Debt (Cont.)

C. Debt Service Requirements to Maturity (Cont.)

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

Year Ending April 30	Business-Type Activities	
	Principal	Interest
2018	\$ 660,330	\$ 311,506
2019	666,473	296,818
2020	634,690	282,456
2021	648,795	268,351
2022	663,211	253,934
2023-2027	3,543,791	1,041,939
2028-2032	3,955,434	630,295
2033-2036	3,492,674	175,901
	<u>\$ 14,265,398</u>	<u>3,261,200</u>

D. Legal Debt Margin

Assessed Valuation – 2016	<u>\$ 485,584,510</u>
Legal Debt Limit – 8.625% of Assessed Valuation	\$ 41,881,664
Amount of Debt Applicable to Debt Limit	<u>242,820</u>
Legal Debt Margin	<u>\$ 41,638,844</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."

8. 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 \$11,172,105 at April 30, 2017.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

9. Interfund Transactions

A. Due from/to Other Funds

Receivable Fund	Payable Fund	Amount
Police Pension	General	\$ 78,040
Firefighters' Pension	General	<u>57,204</u>
Total		<u>\$ 135,244</u>

The due to/from between the Police and Firefighters' Pension Funds and the General Fund is due to April 30th 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>\$ 143,896</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	\$ 421,250
General Fund	Nonmajor Governmental Funds Madison Street TIF	<u>43,207</u>
		<u>\$ 464,457</u>

The General Fund transferred \$421,250 to the Capital Equipment Replacement Fund related to contribution for future capital outlay expenditures and the Madison Street TIF transferred \$43,207 to the General Fund to reimburse for TIF related activity.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

10. 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, 2017, 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, 2017

11. 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.

12. Other Postemployment Benefits

In addition to providing the pension benefits described in Note 14, the Village provides postemployment 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 postemployment 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, 2017, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to But Not Yet Receiving Them	37
Current Employees	79
	<hr/>
Total	116
	<hr/> <hr/>
Participating Employers	1
	<hr/> <hr/>

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

12. Other Postemployment 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. The Village pays 100% of the cost of coverage for disabled officers. 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, 2017, retirees contributed \$264,599 and the Village contributed \$175,235. 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, 2017, 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, 2017. 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, 2017	\$ 308,118	175,235	56.9%	1,714,041
April 30, 2016	411,746	199,263	48.4%	1,581,158
April 30, 2015	415,348	184,504	44.4%	230,844

The net OPEB obligation (NOPEBO) at April 30, 2017, was calculated as follows:

Annual Required Contribution	\$ 301,343
Interest on Net OPEB Obligation	63,246
Adjustment to Annual Required Contribution	<u>(56,471)</u>
Annual OPEB Cost	308,118
Contributions Made	<u>175,235</u>
Increase in Net OPEB Obligation	132,883
Net OPEB Obligation, Beginning of Year	<u>1,581,158</u>
Net OPEB Obligation, End of Year	<u><u>\$ 1,714,041</u></u>
Net OPEB Obligation Attributable to Governmental Activities	\$ 1,668,117
Business-Type Activities	<u>45,924</u>
	<u><u>\$ 1,714,041</u></u>

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

12. Other Postemployment 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, 2017, was as follows:

Actuarial Accrued Liability (AAL)	\$ 4,790,168
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	4,790,168
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.0%
Covered Payroll (Active Plan Members)	6,229,408
UAAL as a Percentage of Covered Payroll	76.9%

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, 2017 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 1.25% then 7.00% reduced to an ultimate rate of 4.50% after seven years. Rates include a salary rate increase of 3.5% and a 2.5% general 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.

13. 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, 2017

14. 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.

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

	Governmental Activities	Business-Type Activities*	Total Village
Net Pension Liability			
IMRF - Regular	\$ 1,084,207	331,523	1,415,730
IMRF - SLEP	13,673		13,673
Police	21,441,759		21,441,759
Firefighters	16,386,458		16,386,458
	<u>\$ 38,926,097</u>	<u>331,523</u>	<u>39,257,620</u>
Deferred Outflows of Resources			
IMRF - Regular	\$ 475,327	154,128	629,455
IMRF - SLEP	9,324		9,324
Police	2,324,120		2,324,120
Firefighters	3,475,705		3,475,705
	<u>\$ 6,284,476</u>	<u>154,128</u>	<u>6,438,604</u>
Deferred Inflows of Resources			
IMRF - Regular	\$ 19,113	5,843	24,956
IMRF - SLEP			
Police	1,480,233		1,480,233
Firefighters	562,832		562,832
	<u>\$ 2,062,178</u>	<u>5,843</u>	<u>2,068,021</u>
Pension Expense			
IMRF - Regular	\$ 195,684	73,087	268,771
IMRF - SLEP	3,172		3,172
Police	2,340,027		2,340,027
Firefighters	2,057,860		2,057,860
	<u>\$ 4,596,743</u>	<u>73,087</u>	<u>4,669,830</u>

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

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. 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 former police chiefs. 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 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 treats the Library as a shared participant in the IMRF Regular Plan 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

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. Defined Benefit Pension Plans (Cont.)

A. Illinois Municipal Retirement Fund (Cont.)

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.

Employees Covered by Benefit Terms

As of December 31, 2016, the measurement date for the net pension liability, the following employees were covered by the benefit terms:

	<u>Regular</u>	<u>SLEP</u>
Retirees and Beneficiaries Currently Receiving Benefits	50	1
Terminated Employees Entitled to But Not Yet Receiving Benefits	51	1
Current Employees	<u>40</u>	
	<u>141</u>	<u>2</u>

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 2016 was 12.07%. For the year ended April 30, 2017, the Village contributed \$256,889 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 2016 was 13.35%. For the year end April 30, 2017, the Village contributed \$2,348 to the SLEP Plan.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. Defined Benefit Pension Plans (Cont.)

A. Illinois Municipal Retirement Fund (Cont.)

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%	6.85%
International Equity	17%	6.75%
Fixed Income	27%	3.00%
Alternative Investments	8%	2.65% - 7.35%
Real Estate	9%	5.75%
Short-term	1%	2.25%
	100%	

Actuarial Assumptions

The following are the methods and assumptions used to determine the total pension liability as of April 30, 2017:

Actuarial Valuation Date	December 31, 2016
Measurement Date	December 31, 2016
Actuarial Cost Method	Entry-age Normal
Assumptions	
Inflation	2.75%
Salary Increases	3.75% - 14.50%, Including Inflation
Investment Rate of Return	7.50%
Asset Valuation Method	Market Value of Assets

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. Defined Benefit Pension Plans (Cont.)

A. Illinois Municipal Retirement Fund (Cont.)

Actuarial Assumptions (Cont.)

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.

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

Discount Rate

A single discount rate (SDR) of 7.50% for the Regular Plan (7.48% in the prior year) and 7.50% for the SLEP Fund was used to measure the total pension liability. The projection of cash flows 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 and the SLEP plan's fiduciary net position were projected to be available to make all projected future benefit payments of active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of project benefit payments to determine the total pension liability.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. Defined Benefit Pension Plans (Cont.)

A. Illinois Municipal Retirement Fund (Cont.)

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	\$ 11,873,710	10,269,321	1,604,389
Changes for the Year			
Service Cost	240,063		240,063
Interest	881,321		881,321
Differences Between Expected and Actual Experience	(6,303)		(6,303)
Changes in Assumptions	(30,536)		(30,536)
Contributions - Employer		266,614	(266,614)
Contributions - Employee		161,248	(161,248)
Net Investment Income		856,766	(856,766)
Benefit Payments, Including Refunds of Employees' Contributions	(680,561)	(680,561)	
Administrative Expenses			
Other (Net Transfer)		(11,424)	11,424
Net Changes	403,984	592,643	(188,659)
Balance, End of Year	\$ 12,277,694	10,861,964	1,415,730

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, 2017

14. 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	\$ 181,319	167,419	13,900
Changes for the Year			
Service Cost			
Interest	13,173		13,173
Differences Between Expected and Actual Experience	655		655
Changes in Assumptions			
Contributions - Employer		2,841	(2,841)
Contributions - Employee			
Net Investment Income		10,033	(10,033)
Benefit Payments, Including Refunds of Employees' Contributions	(11,352)	(11,352)	
Administrative Expenses			
Other (Net Transfer)		1,181	(1,181)
Net Changes	2,476	2,703	(227)
Balance, End of Year	\$ 183,795	170,122	13,673

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below represents the net pension liability (asset) of the Village's Regular Plan and SLEP Fund calculated using the discount rate of 7.50% 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 (6.50% and 6.50%) or one percentage point higher (8.50% and 8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Regular Plan			
Net Pension Liability	\$ 2,728,277	1,415,730	180,325
SLEP			
Net Pension Liability/(Asset)	\$ 33,564	13,673	(3,163)

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. 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, 2017, the Village recognized pension expense of \$268,771 and \$3,172 for the Regular Plan and SLEP, respectively. At April 30, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows/Inflows Related to Pensions	Regular Plan	SLEP
Deferred Outflows		
Differences Between Expected and Actual Experience	\$ 59,326	
Changes of Assumptions	5,432	
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	481,389	8,870
Total Deferred Outflows	546,147	8,870
Deferred Inflows		
Differences Between Expected and Actual Experience	4,269	
Changes of Assumptions	20,687	
Total Deferred Inflows	24,956	
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	521,191	8,870
Pension Contributions Made Subsequent to the Measurement Date	83,308	454
	\$ 604,499	9,324

At April 30, 2017, the Village reported \$83,308 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, 2018. 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,	Amount
2018	\$ 217,987
2019	157,720
2020	162,759
2021	(8,405)
2022	
	\$ 530,061

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. 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, 2017, 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>30</u>
Total	<u><u>67</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, 2017, the Village contributed \$1,329,644 to the Police Pension Plan.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. 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%
	100.00%	

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 2017 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, 2017

14. 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, 2017, are listed in the table above.

Investment Rate of Return

For the year ended April 30, 2017, the annual money-weighted rate of return on the Police Pension Plan investments, net of pension plan investment expense, was 10.74%. 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 \$712,737 and the bank balance totaled \$735,141.

Interest Rate Risk

As of April 30, 2017, 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	\$ 2,719,732	89,208	1,814,195	816,329
Municipal Bonds	112,410		112,410	
Federal Farm Credit Bank	125,013		125,013	
Federal Home Loan Mortgage Corporation	181,777	115,000		66,777
Federal National Mortgage Association	297,089		199,678	97,411
Government National Mortgage Association	141,335		92	141,243
U.S. Treasuries	3,627,842	829,159	2,159,732	638,951
	<u>\$ 7,205,198</u>	<u>1,033,367</u>	<u>4,411,120</u>	<u>1,760,711</u>
*Illinois Funds	\$ 40,300			
*Mutual Funds	11,491,788			
*Insurance Contracts/Annuities	<u>2,653,783</u>			
	<u>\$ 14,185,871</u>			

*Not subject to interest rate risk categorization.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. 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, 2017, 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 Baa3 through A1 by Moody's Investors Service as of April 30, 2017. 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, 2017, 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, 2017

14. 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, 2017, the Police Pension Fund's investments (other than those issued or guaranteed by the U.S. Government) include a Vanguard Annuity of \$1,594,806, Vanguard Mid-Cap Index Fund of \$2,121,849, Vanguard Small Cap Fund of \$1,453,654, Vanguard Institutional Fund of \$4,179,784 and Vanguard Developed Markets Fund of \$1,973,308, 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, 2017, using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2017
Measurement Date	April 30, 2017
Actuarial Cost Method	Entry-age Normal
Assumptions	
Inflation	2.50%
Salary Increases	3.50% - 10.65%, Including Inflation
Investment Rate of Return	6.75%
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, 2017

14. 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	\$ 43,183,778	20,661,527	22,522,251
Changes for the Year			
Service Cost	687,002		687,002
Interest	2,846,673		2,846,673
Differences Between Expected and Actual Experience	(82,246)		(82,246)
Changes in Assumptions	(932,516)		(932,516)
Contributions - Employer		1,329,644	(1,329,644)
Contributions - Employee		267,985	(267,985)
Net Investment Income		2,119,095	(2,119,095)
Benefit Payments, Including Refunds of Employees' Contributions	(2,021,677)	(2,021,677)	
Administrative Expenses		(117,319)	117,319
Net Changes	497,236	1,577,728	(1,080,492)
Balance, End of Year	\$ 43,681,014	22,239,255	21,441,759

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	\$ 27,792,522	21,441,759	16,295,517

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. 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, 2017, the Village recognized pension expense of \$2,340,027. At April 30, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	2017	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 109,748	\$ 109,748
Changes of Assumptions	1,359,503	776,315
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	964,617	594,170
	<u>\$ 2,324,120</u>	<u>1,480,233</u>

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,	Amount
2018	\$ 333,400
2019	333,400
2020	333,400
2021	8,559
2022	(164,872)
	<u>\$ 843,887</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, 2017

14. 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, 2017, the Firefighters' Pension Plan membership consisted of:

Inactive Plan Members Currently Receiving Benefits	26
Inactive Plan Members Entitled But Not Yet Receiving Benefits	1
Active Plan Members	<u>20</u>
Total	<u><u>47</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, 2017, the Village contributed \$1,086,300 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, 2017

14. 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
Equity	47.00%	7.50%
International Equity	13.00%	8.50%
Fixed Income	40.00%	2.50%
	<u>100.00%</u>	

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. 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 2017 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, 2017, are listed in the table above.

Investment Rate of Return

For the year ended April 30, 2017, the annual money-weighted rate of return on the Firefighters' Pension Fund investments, net of pension plan investment expense, was 7.16%. 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 \$1,066,760 and the bank balance totaled \$1,078,297.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. Defined Benefit Pension Plans (Cont.)

C. Firefighters' Pension (Cont.)

Interest Rate Risk

As of April 30, 2017, 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	\$ 219,932	219,932		
Corporate Bonds	3,138,702	230,496	2,093,655	814,551
Federal Home Loan Bank	100,186	100,186		
Federal Home Loan Mortgage Corporation	335,429		69,323	266,106
Federal National Mortgage Association	853,984		461,941	392,043
Government National Mortgage Association	33,612		1,456	32,156
U.S. Treasuries	1,304,463		1,136,954	167,509
	<u>\$ 5,986,308</u>	<u>550,614</u>	<u>3,763,329</u>	<u>1,672,365</u>
*Illinois Funds	\$ 69,138			
*Mutual Funds	6,871,597			
*Equities	<u>637,305</u>			
	<u>\$ 7,578,040</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, 2017, the Illinois Funds Money Market was rated AAAM by Standard & Poor's.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. 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 ranging from BBB to A by Standard & Poor's and ranging from Baa3 through A1 by Moody's Investors Service as of April 30, 2017. 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, 2017, 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, 2017, the plan's investments (other than those issued or guaranteed by the U.S. Government) include Dodge and Cox International Fund of \$2,120,997, Legg Mason Large Cap Growth Fund of \$1,476,237, MFS Value Fund of \$1,452,877 and Vanguard 500 Index Admiral Fund of \$1,004,357, each of which represents 5% or more of plan net assets.

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. 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, 2017, using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2017
Measurement Date	April 30, 2017
Actuarial Cost Method	Entry-age Normal
Assumptions	
Inflation	2.50%
Salary Increases	4.00% - 10.11%, Including Inflation
Investment Rate of Return	7.00%
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, 2017

14. 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	\$ 29,214,281	14,140,565	15,073,716
Changes for the Year			
Service Cost	437,586		437,586
Interest	1,988,946		1,988,946
Differences Between Expected and Actual Experience	1,211,947		1,211,947
Changes in Assumptions	(145,817)		(145,817)
Contributions - Employer		1,086,300	(1,086,300)
Contributions - Employee		174,437	(174,437)
Net Investment Income		965,583	(965,583)
Benefit Payments, Including Refunds of Employees' Contributions	(1,601,526)	(1,601,526)	
Administrative Expenses		(46,400)	46,400
Net Changes	1,891,136	578,394	1,312,742
Balance, End of Year	\$ 31,105,417	14,718,959	16,386,458

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	\$ 20,497,832	16,386,458	13,012,851

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

14. 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, 2017, the Village recognized pension expense of \$2,057,860. At April 30, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	2017	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,040,039	437,699
Changes of Assumptions	1,281,268	125,133
Net Difference Between Projected and Actual Earnings on Plan Investments	1,154,398	
	<u>\$ 3,475,705</u>	<u>562,832</u>

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,	Amount
2018	\$ 735,677
2019	735,677
2020	735,673
2021	353,759
2022	193,301
Thereafter	<u>158,786</u>
	<u>\$ 2,912,873</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, 2017

14. 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.

15. Pension Trust Funds – Financial Data

Schedule of Fiduciary Net Position as of April 30, 2017:

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and Cash Equivalents	\$ 753,037	1,355,830	2,108,867
Investments			
Equities		637,305	637,305
Corporate Bonds	2,719,732	3,138,702	5,858,434
Municipal Bonds	112,410		112,410
U.S. Government Obligations	4,373,056	2,627,674	7,000,730
Mutual Funds	11,491,788	6,871,597	18,363,385
Insurance Company Contracts	2,653,783		2,653,783
Receivables			
Accrued Interest	57,086	31,271	88,357
Due From Municipality	78,040	57,204	135,244
Prepaid Expenses	8,234	4,831	13,065
Total Assets	22,247,166	14,724,414	36,971,580
Liabilities			
Accounts Payable	7,911	5,455	13,366
Net Position			
Restricted for Pensions	<u>\$ 22,239,255</u>	<u>14,718,959</u>	<u>36,958,214</u>

VILLAGE OF RIVER FOREST, ILLINOIS

Notes to Financial Statements
April 30, 2017

15. Pension Trust Funds – Financial Data (Cont.)

Schedule of Changes in Fiduciary Net Position for the year ended April 30, 2017:

	Police Pension	Firefighters' Pension	Total
Additions			
Contributions			
Employer	\$ 267,985	174,437	442,422
Plan Members	1,329,644	1,086,300	2,415,944
	<u>1,597,629</u>	<u>1,260,737</u>	<u>2,858,366</u>
Investment Income			
Net Depreciation in Fair Value of Investments	1,716,581	633,704	2,350,285
Interest and Dividends	447,671	396,547	844,218
	<u>2,164,252</u>	<u>1,030,251</u>	<u>3,194,503</u>
Less Investment Expense	(45,157)	(64,668)	(109,825)
Net Investment Income	<u>2,119,095</u>	<u>965,583</u>	<u>3,084,678</u>
Total Additions	<u>3,716,724</u>	<u>2,226,320</u>	<u>5,943,044</u>
Deductions			
Administration	117,319	46,400	163,719
Pension Benefits and Refunds	2,021,677	1,601,526	3,623,203
	<u>2,138,996</u>	<u>1,647,926</u>	<u>3,786,922</u>
Change in Net Position	1,577,728	578,394	2,156,122
Net Position Restricted for Pensions			
Beginning	<u>20,661,527</u>	<u>14,140,565</u>	<u>34,802,092</u>
Ending	<u>\$ 22,239,255</u>	<u>14,718,959</u>	<u>36,958,214</u>

16. 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, the Village of Forest 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 2017, the Village's allocated cost share totaled \$448,973 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, 2017

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. 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.

Statement No. 87, *Leases* establishes a single approach to accounting for and reporting leases by state and local governments. The standard addresses the reporting for governments that are lessors or lessees. GASB 87 is effective for reporting periods beginning after December 15, 2019, with earlier application encouraged.

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, 2017

	2017	2016
Total Pension Liability		
Service Cost	\$ 240,063	223,198
Interest	881,321	835,431
Changes in Benefit Terms		
Differences Between Expected and Actual Experience	(6,303)	165,693
Change of Assumptions	(30,536)	15,170
Benefit Payments, Including Refunds of Member Contributions	(680,561)	(638,700)
Net Change in Total Pension Liability	403,984	600,792
Total Pension Liability - Beginning	11,873,710	11,272,918
Total Pension Liability - Ending	<u>\$ 12,277,694</u>	<u>11,873,710</u>
Plan Fiduciary Net Position		
Contributions - Village	\$ 266,614	259,789
Contributions - Members	161,248	130,951
Net Investment Income	856,766	217,394
Benefit Payments, Including Refunds of Member Contributions	(680,561)	(638,700)
Administrative Expense	(11,424)	(30,714)
Net Change in Plan Fiduciary Net Position	592,643	(61,280)
Plan Net Position - Beginning	10,269,321	10,330,601
Plan Net Position - Ending	<u>\$ 10,861,964</u>	<u>10,269,321</u>
Village's Net Pension Liability	<u>\$ 1,415,730</u>	<u>1,604,389</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.47%	86.49%
Covered Employee Payroll	\$ 2,208,891	2,004,870
Village's Net Pension Liability as a Percentage of Covered Employee Payroll	64.09%	80.02%

Notes to the Required Supplementary Information

Changes in assumptions related to retirement age and mortality were made since the prior measurement date. Additionally, the discount rate used changed from 7.48% to 7.50%.

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, 2017

	2017	2016
Total Pension Liability		
Service Cost	\$ -	-
Interest	13,173	13,235
Changes in Benefit Terms		
Differences Between Expected and Actual Experience	655	(3,015)
Change of Assumptions		
Benefit Payments, Including Refunds of Member Contributions	(11,352)	(10,734)
Net Change in Total Pension Liability	2,476	(514)
Total Pension Liability - Beginning	181,319	181,833
Total Pension Liability - Ending	\$ 183,795	181,319
Plan Fiduciary Net Position		
Contributions - Village	\$ 2,841	3,217
Contributions - Members		
Net Investment Income	10,033	830
Benefit Payments, Including Refunds of Member Contributions	(11,352)	(10,734)
Administrative Expense	1,181	4,294
Net Change in Plan Fiduciary Net Position	2,703	(2,393)
Plan Net Position - Beginning	167,419	169,812
Plan Net Position - Ending	\$ 170,122	167,419
Village's Net Pension Liability	\$ 13,673	13,900
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.56%	92.33%
Covered Employee Payroll	\$ -	-
Village's Net Pension Liability as a Percentage of Covered Employee Payroll	0.00%	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, 2017

	2017	2016	2015
Total Pension Liability			
Service Cost	\$ 687,002	611,167	645,064
Interest	2,846,673	2,631,940	2,549,994
Changes in Benefit Terms			
Differences Between Expected and Actual Experience	(82,246)	(61,973)	
Change of Assumptions	(932,516)	2,040,961	
Benefit Payments, Including Refunds of Member Contributions	(2,021,677)	(2,060,037)	(1,902,065)
Net Change in Total Pension Liability	497,236	3,162,058	1,292,993
Total Pension Liability - Beginning	43,183,778	40,021,720	38,728,727
Total Pension Liability - Ending	<u>\$ 43,681,014</u>	<u>43,183,778</u>	<u>40,021,720</u>
Plan Fiduciary Net Position			
Contributions - Village	\$ 1,329,644	1,130,516	1,098,682
Contributions - Members	267,985	258,151	228,802
Net Investment Income	2,119,095	(176,345)	1,569,527
Benefit Payments, Including Refunds of Member Contributions	(2,021,677)	(2,060,037)	(1,902,065)
Administrative Expense	(117,319)	(62,316)	(45,915)
Net Change in Plan Fiduciary Net Position	1,577,728	(910,031)	949,031
Plan Net Position - Beginning	20,661,527	21,571,558	20,622,527
Plan Net Position - Ending	<u>\$ 22,239,255</u>	<u>20,661,527</u>	<u>21,571,558</u>
Village's Net Pension Liability	<u>\$ 21,441,759</u>	<u>22,522,251</u>	<u>18,450,162</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	50.91%	47.85%	53.90%
Covered Employee Payroll	\$ 2,745,077	2,795,091	2,630,388
Village's Net Pension Liability as a Percentage of Covered Employee Payroll	781.10%	805.78%	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, 2017

	2017	2016	2015
Total Pension Liability			
Service Cost	\$ 437,586	434,288	499,365
Interest	1,988,946	1,846,605	1,782,149
Changes in Benefit Terms			
Differences Between Expected and Actual Experience	1,211,947	(645,633)	
Change of Assumptions	(145,817)	1,889,948	
Benefit Payments, Including Refunds of Member Contributions	(1,601,526)	(1,382,009)	(1,339,397)
Net Change in Total Pension Liability	1,891,136	2,143,199	942,117
Total Pension Liability - Beginning	29,214,281	27,071,082	26,128,965
Total Pension Liability - Ending	<u>\$ 31,105,417</u>	<u>29,214,281</u>	<u>27,071,082</u>
Plan Fiduciary Net Position			
Contributions - Village	\$ 1,086,300	946,756	822,631
Contributions - Members	174,437	184,123	184,809
Net Investment Income	965,583	(845,984)	599,529
Benefit Payments, Including Refunds of Member Contributions	(1,601,526)	(1,382,009)	(1,339,397)
Administrative Expense	(46,400)	(50,589)	(33,720)
Net Change in Plan Fiduciary Net Position	578,394	(1,147,703)	233,852
Plan Net Position - Beginning	14,140,565	15,288,268	15,054,416
Plan Net Position - Ending	<u>\$ 14,718,959</u>	<u>14,140,565</u>	<u>15,288,268</u>
Village's Net Pension Liability	<u>\$ 16,386,458</u>	<u>15,073,716</u>	<u>11,782,814</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.32%	48.40%	56.47%
Covered Employee Payroll	\$ 1,904,987	1,894,624	1,916,626
Village's Net Pension Liability as a Percentage of Covered Employee Payroll	860.19%	795.60%	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 Postemployment Benefit Plan

Schedule of Funding Progress

April 30, 2017

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
4/30/2017	\$	4,790,168	4,790,168	0.00	6,229,408	76.90%
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%

The actuarial accrued liability declined in 2015 due to changes in labor agreements and for non-union employees that have reduced or eliminated the employer contributions towards retirees health insurance for future retirees. Additional information is included in the notes to the financial statements. The liability further declined in 2017 due to a reduced number of retirees receiving the employer subsidy for health insurance and reduction in expected health insurance cost increases based on actual experience.

VILLAGE OF RIVER FOREST, ILLINOIS

Required Supplementary Information

Illinois Municipal Retirement Fund - Regular Plan

Schedule of Village Contributions

April 30, 2017

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
4/30/2017	\$ 263,776	256,889	(6,887)	2,185,389	11.75%
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 2016 Contribution Rates

Actuarial Cost Method	Aggregate Entry-age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	27-years Closed Period
Asset Valuation Method	5-year Smoothed Market; 20% Corridor
Wage Growth	3.50%
Price Inflation	2.75% approximate; no explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50%, 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 2014 valuation pursuant to an experience study of the period 2011 to 2013.
Mortality	For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that was applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational project scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
Other	There were no benefit changes during the year.

Information above based on valuation assumptions used in the December 31, 2014 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, 2017

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
4/30/2017	\$	2,348	2,348		0.00%
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 2016 Contribution Rates

Actuarial Cost Method	Aggregate Entry-age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	27-years Closed Period
Asset Valuation Method	5-year Smoothed Market; 20% Corridor
Wage Growth	3.50%
Price Inflation	2.75% approximate; no explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50%, 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 2014 valuation pursuant to an experience study of the period 2011 to 2013.
Mortality	RP-2014 Blue Collar Health Annuitant Mortality Table; for disabled lives, RP-2014 Disabled Retirees Mortality Table
Other	There were no benefit changes during the year.

Information above based on valuation assumptions used in the December 31, 2014 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, 2017

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
4/30/2017	\$ 1,329,644	1,329,644		2,745,077	48.44%
4/30/2016	1,204,822	1,130,516	(74,306)	2,795,091	40.45%
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 2017 Contribution Rates

Actuarial Cost Method	Entry-age Normal
Amortization Method	Straight Line
Remaining Amortization Period	100% Funded Through 2044
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% - 10.65%
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

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VILLAGE OF RIVER FOREST, ILLINOIS

Required Supplementary Information

Firefighters' Pension Fund

Schedule of Village Contributions

April 30, 2017

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
4/30/2017	\$ 1,086,300	1,086,300		1,904,987	57.02%
4/30/2016	988,150	946,756	(41,394)	1,894,624	49.97%
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 2017 Contribution Rates

Actuarial Cost Method	Entry-age Normal
Amortization Method	Straight Line
Remaining Amortization Period	100% Funded Through 2044
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	4.00% - 19.17%
Investment Rate of Return	7.00%
Retirement Age	120% L&A 2016 Illinois Firefighters Retirement Rates Cap Age 65
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 Postemployment Benefit Plan

Schedule of Village Contributions

April 30, 2017

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
4/30/2017	\$ 301,343	58.15%
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, 2017

Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
4/30/2017	10.74%
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, 2017

Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
4/30/2017	7.16%
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, 2017

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues				
Taxes	\$ 8,482,226	8,400,017	8,324,934	(75,083)
Intergovernmental	3,537,904	3,620,113	3,472,787	(147,326)
Licenses and Permits	1,136,114	1,136,114	1,762,852	626,738
Charges for Services	1,664,902	1,664,902	1,677,926	13,024
Fines and Forfeit	289,921	289,921	244,427	(45,494)
Investment Income	31,057	31,057	53,245	22,188
Miscellaneous	173,953	173,953	599,149	425,196
Total Revenues	15,316,077	15,316,077	16,135,320	819,243
Expenditures				
Current				
General Government	2,210,281	2,289,281	2,282,147	(7,134)
Development	411,508	484,508	480,035	(4,473)
Public Safety	9,781,700	9,484,700	9,364,470	(120,230)
Public Works Department	1,551,911	1,696,911	1,609,706	(87,205)
Sanitation	1,063,412	1,063,412	1,081,483	18,071
Total Expenditures	15,018,812	15,018,812	14,817,841	(200,971)
Excess of Revenues Over Expenditures	297,265	297,265	1,317,479	1,020,214
Other Financing Sources (Uses)				
Transfers In			43,207	43,207
Transfers Out	(471,250)	(496,250)	(421,250)	75,000
Sale of Capital Assets	1,000	1,000	359	(641)
Total Other Financing Sources (Uses)	(470,250)	(495,250)	(377,684)	117,566
Net Change in Fund Balance	\$ (172,985)	(197,985)	939,795	1,137,780
Fund Balance				
Beginning			<u>9,361,810</u>	
Ending			<u>10,301,605</u>	

VILLAGE OF RIVER FOREST, ILLINOIS

Note to Required Supplementary Information
April 30, 2017

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, 2017, 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, 2017

	Special Revenue	Debt Service	Economic Development Fund	Capital Projects Capital Improvement Fund	Madison Street TIF	Total Nonmajor Governmental Funds
	Motor Fuel Tax	Alternate Revenue Debt Service				
Assets						
Cash and Cash Equivalents	\$ 549,230	185,655	831,774	624,334	2,507	2,193,500
Investments	150,000			931,689		1,081,689
Receivables						
Taxes		119,488				119,488
Accounts			22,821			22,821
Intergovernmental	24,461			34,154		58,615
Interest				13,202		13,202
Other	836			125,836		126,672
Total Assets	\$ 724,527	305,143	854,595	1,729,215	2,507	3,615,987
Liabilities						
Accounts Payable	102,523		19,326	154,522		276,371
Due to Other Funds					100,000	100,000
Total Liabilities	102,523	-	19,326	154,522	100,000	376,371
Deferred Inflows of Resources						
Unavailable Taxes		119,488				119,488
Fund Balance						
Restricted	622,004	185,655	835,269		(97,493)	1,545,435
Committed				1,574,693		1,574,693
Total Fund Balances	622,004	185,655	835,269	1,574,693	(97,493)	3,120,128
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 724,527	305,143	854,595	1,729,215	2,507	3,615,987

VILLAGE OF RIVER FOREST, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in
Fund Balances
Year Ended April 30, 2017

	Special Revenue	Debt Service	Capital Projects			Total Nonmajor Governmental Funds
	Motor Fuel Tax	Alternate Revenue Debt Service	Economic Development Fund	Capital Improvement Fund	Madison Street TIF	
Revenues						
Taxes	\$	259,674				259,674
Intergovernmental	358,730		21,224	715,799		1,095,753
Charges for Services				64,095		64,095
Fines and Forfeits				923,305		923,305
Investment Income	3,151	953	7,385	11,582	14	23,085
Total Revenues	361,881	260,627	28,609	1,714,781	14	2,365,912
Expenditures						
Current						
Highways and Streets	348,758					348,758
General Government				29,783	54,300	84,083
Development			1,293,408			1,293,408
Debt Service						
Principal Retirement		239,480				239,480
Interest		8,302				8,302
Capital Outlay				1,427,375		1,427,375
Total Expenditures	348,758	247,782	1,293,408	1,457,158	54,300	3,401,406
Excess of Revenues Over Expenditures	13,123	12,845	(1,264,799)	257,623	(54,286)	(1,035,494)
Other Financing Sources						
Transfers Out					(43,207)	(43,207)
Net Change in Fund Balances	13,123	12,845	(1,264,799)	257,623	(97,493)	(1,078,701)
Fund Balances						
Beginning of Year	608,881	172,810	2,100,068	1,317,070		4,198,829
End of Year	\$ 622,004	185,655	835,269	1,574,693	(97,493)	3,120,128

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, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Original Budget	Final Budget	2017 Actual	Variance From Final Budget Over (Under)	2016 Actual
Revenues					
Taxes					
Property Tax	\$ 6,244,379	6,244,379	6,287,691	43,312	6,155,884
Non-Home Rule Sales Tax	901,657	901,657	824,652	(77,005)	885,574
Utility Tax	648,268	648,268	614,522	(33,746)	559,018
Transfer Tax	105,216	105,216	131,836	26,620	110,084
Communication Tax	335,070	335,070	309,679	(25,391)	342,467
E911 Tax	82,209				55,596
Restaurant Tax	165,427	165,427	156,554	(8,873)	172,387
Total Taxes	8,482,226	8,400,017	8,324,934	(75,083)	8,281,010
Intergovernmental					
Wireless Tax	75,417	157,626	158,960	1,334	93,124
Sales Tax	1,852,877	1,852,877	1,727,402	(125,475)	1,852,443
State Income Tax	1,139,544	1,139,544	1,056,031	(83,513)	1,190,627
Replacement Tax	155,692	155,692	163,588	7,896	120,319
Contributions and Grants	51,761	51,761	90,344	38,583	61,840
Use Tax	262,613	262,613	276,462	13,849	260,894
Total Intergovernmental	3,537,904	3,620,113	3,472,787	(147,326)	3,579,247
Licenses and Permits					
Business Licenses	17,085	17,085	15,630	(1,455)	17,595
Liquor Licenses	23,500	23,500	20,400	(3,100)	21,950
Vehicle Licenses	296,000	296,000	289,225	(6,775)	294,267
Contractor Licenses	80,000	80,000	88,250	8,250	83,650
Construction/Building Permits	498,725	498,725	1,113,029	614,304	471,698
Cable Television Fees	215,074	215,074	221,093	6,019	219,830
Pet Licenses	1,500	1,500	2,130	630	2,290
Tent Licenses	300	300	210	(90)	540
Bonfire Permits	30	30	60	30	30
Cab Licenses	500	500	500		
Film Crew Licenses	3,000	3,000	11,400	8,400	5,200
Solicitor Permits	400	400	925	525	800
Total Licenses and Permits	1,136,114	1,136,114	1,762,852	626,738	1,117,850
Charges for Services					
Garbage Collection Charges	970,878	970,878	997,436	26,558	947,369
Parking Lot Fees	75,166	75,166	78,504	3,338	78,514
State Highway Maintenance Fees	56,323	56,323	113,265	56,942	
Ambulance Charges	385,000	385,000	333,993	(51,007)	406,242
Sidewalk Program	15,000	15,000	7,496	(7,504)	7,017
WSCDC Janitorial Service	6,235	6,235	6,375	140	11,368
Workers' Compensation Insurance	10,000	10,000		(10,000)	37,395
NSF Fees	200	200	25	(175)	
Towing Fees	135,000	135,000	131,500	(3,500)	138,500
Animal Release Fees	500	500	35	(465)	565
Police Reports	2,100	2,100	2,282	182	2,303
Fire Fees	3,600	3,600	1,315	(2,285)	4,202
Elevator Inspection Fees	4,500	4,500	4,300	(200)	4,700
Elevator Re-Inspection Fees	400	400	1,400	1,000	400
Total Charges for Services	1,664,902	1,664,902	1,677,926	13,024	1,638,575

(Cont.)

VILLAGE OF RIVER FOREST, ILLINOIS

General Fund

Schedule of Revenues – Budget and Actual (Cont.)

Year Ended April 30, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Original Budget	Final Budget	2017 Actual	Variance From Final Budget Over (Under)	2016 Actual
Revenues (Cont.)					
Fines and Forfeits					
Court Fines	64,000	64,000	51,310	(12,690)	56,554
Parking Tickets	180,000	180,000	146,836	(33,164)	161,400
DUI Fines	5,000	5,000	9,790	4,790	17,905
Building Construction Citations	2,000	2,000	6,600	4,600	2,975
Asset Forfeitures	10,000	10,000	970	(9,030)	2,618
Red Light Camera Revenue	28,921	28,921	28,921		39,505
Total Fines and Forfeits	<u>289,921</u>	<u>289,921</u>	<u>244,427</u>	<u>(45,494)</u>	<u>280,957</u>
Investment Income					
Interest and Dividends	31,057	31,057	59,460	28,403	44,766
Net Change in Fair Value of Investments			(6,215)	(6,215)	4,615
Total Investment Income	<u>31,057</u>	<u>31,057</u>	<u>53,245</u>	<u>22,188</u>	<u>49,381</u>
Miscellaneous					
Wireless Leases	39,653	39,653	39,663	10	38,508
Net Change in IRMA Deposit			371,285	371,285	87,514
Other	134,300	134,300	188,201	53,901	137,682
Total Miscellaneous	<u>173,953</u>	<u>173,953</u>	<u>599,149</u>	<u>425,196</u>	<u>263,704</u>
Total Revenues	<u>\$ 15,316,077</u>	<u>15,316,077</u>	<u>16,135,320</u>	<u>819,243</u>	<u>15,210,724</u>

VILLAGE OF RIVER FOREST, ILLINOIS

General Fund

Schedule of Expenditures – Budget and Actual
 Year Ended April 30, 2017
 With Comparative Actual for the Year Ended April 30, 2016

	Original Budget	Final Budget	2017 Actual	Variance From Final Budget Over (Under)	2016 Actual
General Government					
Administration					
Personal Services					
Salaries - Regular	\$ 522,115	564,115	563,751	(364)	474,788
Insurance Refusal Reimbursement	1,500	1,500	1,500		1,500
Salaries - Part Time	24,810	24,810	23,755	(1,055)	57,470
Overtime	1,000	1,000	193	(807)	50
FICA	30,806	30,806	32,471	1,665	29,499
Medicare	8,036	8,036	8,583	547	7,635
Fringe Benefits	7,770	7,770	7,770		7,550
Employee Assistance Program	1,750	1,750	1,758	8	1,781
IMRF	66,135	66,135	67,491	1,356	67,252
Wellness Program	1,250	1,250	1,351	101	1,309
Health Insurance	56,967	56,967	50,135	(6,832)	47,134
Health Insurance - Retirees	1,983	1,983	1,234	(749)	1,875
Life Insurance	531	531	645	114	739
HDHP Contributions	13,140	13,140	12,167	(973)	12,262
Total Personal Services	737,793	779,793	772,804	(6,989)	710,844
Contractual Services					
Communications	24,700	24,700	27,271	2,571	22,139
Auditing	24,130	24,130	21,410	(2,720)	21,490
Actuarial Services	8,000	8,000	4,810	(3,190)	3,688
Consulting Services	154,000	167,000	152,844	(14,156)	107,337
Information Technology	117,900	138,900	153,874	14,974	197,402
Vehicle Sticker Program	16,965	16,965	14,226	(2,739)	16,185
Health/Inspection Services	15,000	15,000	15,000		15,000
Unemployment Claims	5,000	5,000	4	(4,996)	
Bank Fees	10,830	10,830	9,571	(1,259)	8,326
Liability Insurance	337,130	337,130	308,322	(28,808)	332,434
IRMA Insurance Deductible	23,640	23,640	49,113	25,473	30,843
Maintenance of Office Equipment	11,905	11,905	9,743	(2,162)	11,359
Training	7,000	7,000	5,033	(1,967)	5,840
Tuition Reimbursement					
Travel and Meeting Expense	7,950	7,950	7,711	(239)	8,149
Dues and Subscriptions	22,000	22,000	26,950	4,950	23,884
Printing	2,900	2,900	7,367	4,467	8,620
Medical Examinations	1,550	1,550	5,038	3,488	5,394
Advertising/Legal Notice	2,550	2,550	2,557	7	4,949
Employee Recognition	7,625	7,625	10,420	2,795	11,412
Total Contractual Services	800,775	834,775	831,264	(3,511)	834,451
Commodities					
Office Supplies	16,875	16,875	12,252	(4,623)	12,194
Office Equipment	5,000	5,000	3,901	(1,099)	3,281
Postage	11,000	11,000	11,593	593	10,380
Total Commodities	32,875	32,875	27,746	(5,129)	25,855
Total Administration	1,571,443	1,647,443	1,631,814	(15,629)	1,571,150
Emergency 911					
Contractual Services					
Telephone Line Charges					6,449
Consulting Services	5,000	5,000		(5,000)	375
IT Support	8,000	8,000	8,000		51,314
Maintenance of Equipment	500	500		(500)	

VILLAGE OF RIVER FOREST, ILLINOIS

General Fund

Schedule of Expenditures – Budget and Actual
 Year Ended April 30, 2017
 With Comparative Actual for the Year Ended April 30, 2016

	Original Budget	Final Budget	2017 Actual	Variance From Final Budget Over (Under)	2016 Actual
General Government (Cont.)					
Administration (Cont.)					
Emergency 911 (Cont.)					
Training	550	550	1,050	500	995
Travel and Meetings	1,500	1,500	533	(967)	
WSCDC Contribution	425,813	425,813	448,973	23,160	430,730
Citizen's Corps Council	5,000	5,000	2,479	(2,521)	5,062
Medical Reserve Corp	500	500		(500)	
Total Emergency 911	446,863	446,863	461,035	14,172	494,925
Police and Fire Commission					
Contractual Services					
Secretarial Services	7,500	1,500	413	(1,087)	527
Legal Services	2,500	2,500		(2,500)	423
Travel and Meetings	200	200		(200)	
Dues and Subscriptions	375	375	375		
Candidate Screening	2,500	2,500	2,892	392	1,463
Testing	15,000	10,000	8,962	(1,038)	31,376
Advertising/Legal Notice	750	750	621	(129)	1,655
Total Contractual Services	28,825	17,825	13,263	(4,562)	35,444
Commodities					
Office Supplies	150	150	240	90	
Postage			25	25	60
Total Commodities	150	150	265	115	60
Total Police and Fire Commission	28,975	17,975	13,528	(4,447)	35,504
Legal Services					
Contractual Services					
Legal Services	40,000	54,000	53,160	(840)	64,948
Village Attorney	111,000	111,000	109,605	(1,395)	111,368
Village Prosecutor	12,000	12,000	13,005	1,005	11,000
Total Legal Services	163,000	177,000	175,770	(1,230)	187,316
Total General Government	2,210,281	2,289,281	2,282,147	(7,134)	2,288,895
Development					
Building and Development					
Personal Services					
Salaries - Regular	226,547	188,523	188,270	(253)	169,615
Insurance Refusal Reimbursement	2,700	2,700	1,350	(1,350)	2,138
Salaries - Part Time		59,024	58,166	(858)	41,467
Overtime	1,000	1,000		(1,000)	
FICA	13,879	13,879	14,224	345	13,081
Medicare	3,317	3,317	3,327	10	3,059
IMRF	27,465	27,465	25,062	(2,403)	23,975
Fringe Benefits	2,040	2,040	2,040		2,100
Health Insurance	31,483	40,483	39,261	(1,222)	12,917
Life Insurance	125	125	134	9	97
HDHP Contributions	4,568	4,568	6,140	1,572	2,673
Total Personal Services	313,124	343,124	337,974	(5,150)	271,122

VILLAGE OF RIVER FOREST, ILLINOIS

General Fund

Schedule of Expenditures – Budget and Actual
 Year Ended April 30, 2017
 With Comparative Actual for the Year Ended April 30, 2016

	Original Budget	Final Budget	2017 Actual	Variance From Final Budget Over (Under)	2016 Actual
Development (Cont.)					
Building and Development (Cont.)					
Contractual Services					
Professional Services	11,250	11,250	11,650	400	11,253
Inspection Services	60,500	74,500	73,937	(563)	59,194
Plan Review Services	20,000	49,000	48,198	(802)	16,645
Maintenance of Vehicles	1,595	1,595	105	(1,490)	752
Training	2,500	2,500	4,489	1,989	1,125
Dues and Subscriptions	175	175	842	667	192
Advertising/Legal Notice	750	750	2,502	1,752	434
Total Contractual Services	96,770	139,770	141,723	1,953	89,595
Commodities					
Office Supplies	400	400	127	(273)	
Office Equipment	150	150		(150)	
Gasoline and Oil	564	564	211	(353)	399
Operating Supplies	500	500		(500)	
Total Commodities	1,614	1,614	338	(1,276)	399
Total Building and Development	411,508	484,508	480,035	(4,473)	361,116
Public Safety					
Police Department					
Personal Services					
Salaries - Sworn	2,588,965	2,528,965	2,528,009	(956)	2,497,154
Salaries - Regular	119,322	119,322	118,500	(822)	114,275
Part-Time Salaries	36,325	36,325	30,462	(5,863)	31,152
Specialist Pay	30,500	30,500	39,692	9,192	37,026
Holiday Pay	116,706	103,706	102,753	(953)	100,266
Overtime Pay	175,000	190,000	189,398	(602)	218,715
IDOT STEP Overtime	25,500	25,500	7,828	(17,672)	6,994
Educational Incentives	34,700	34,700	37,050	2,350	34,550
FICA	10,735	10,735	9,108	(1,627)	8,864
Medicare	42,779	42,779	40,996	(1,783)	41,153
IMRF	20,280	20,280	19,170	(1,110)	20,078
Fringe Benefits	1,800	1,800	1,800		1,800
Health Insurance	474,767	414,767	406,712	(8,055)	414,773
Health Insurance - Retirees	85,732	85,732	72,985	(12,747)	90,861
Life Insurance	1,656	1,656	2,072	416	1,974
HDHP Contributions	81,481	81,481	67,302	(14,179)	62,765
Contribution to Police Pension	1,329,644	1,329,644	1,329,644		1,130,516
Total Personal Services	5,175,892	5,057,892	5,003,481	(54,411)	4,812,916
Contractual Services					
Communications	3,550	3,550	3,602	52	3,423
Administrative Adjudication	29,220	29,220	18,430	(10,790)	21,660
Data Processing	6,367	6,367	5,943	(424)	2,452
Animal Control	2,500	2,500	950	(1,550)	3,560
Maintenance of Office Equipment	14,850	14,850	9,265	(5,585)	11,461
Maintenance of Vehicles	46,500	46,500	54,962	8,462	37,340
Maintenance of Buildings	4,340	4,340	134	(4,206)	56
Training	18,050	18,050	15,748	(2,302)	18,323
Community Support Services	89,607	89,607	141,394	51,787	136,318
Travel and Meeting Expense	4,450	4,450	991	(3,459)	1,354
Dues and Subscriptions	10,349	10,349	8,672	(1,677)	9,077

VILLAGE OF RIVER FOREST, ILLINOIS

General Fund

Schedule of Expenditures – Budget and Actual
 Year Ended April 30, 2017
 With Comparative Actual for the Year Ended April 30, 2016

	Original Budget	Final Budget	2017 Actual	Variance From Final Budget Over (Under)	2016 Actual
Public Safety (Cont.)					
Police Department (Cont.)					
Contractual Services (Cont.)					
Printing	5,640	5,640	2,095	(3,545)	4,543
Medical Examinations	5,015	5,015	4,765	(250)	4,582
Total Contractual Services	240,438	240,438	266,951	26,513	254,149
Commodities					
Office Supplies	10,500	10,500	7,570	(2,930)	5,439
Gas and Oil	45,276	45,276	34,143	(11,133)	40,466
Uniforms - Sworn Personnel	27,000	27,000	30,499	3,499	27,242
Uniforms - Other Personnel	800	800	398	(402)	155
Prisoners' Care	2,608	2,608	2,664	56	1,776
Operating Supplies	9,868	9,868	3,615	(6,253)	2,996
Radios	12,095	12,095	1,335	(10,760)	2,464
Firearms and Range Supplies	15,440	15,440	10,885	(4,555)	10,583
Evidence Supplies	6,100	6,100	4,723	(1,377)	2,584
DUI Expenditures	3,800	3,800	4,299	499	3,585
Drug Forfeiture Expenditures	6,000	6,000	2,085	(3,915)	2,430
Article 36 Expenditures	8,000	8,000	5,162	(2,838)	7,586
Total Commodities	147,487	147,487	107,378	(40,109)	107,306
Total Police Department	5,563,817	5,445,817	5,377,810	(68,007)	5,174,371
Fire Department					
Personal Services					
Salaries - Sworn	1,993,505	1,822,505	1,798,478	(24,027)	1,873,807
Salaries - Regular	64,534	64,534	65,509	975	62,200
Specialist Pay	126,056	126,056	131,850	5,794	125,345
Holiday Pay	80,022	70,022	68,914	(1,108)	76,167
Overtime Pay	160,000	222,000	221,665	(335)	152,031
Compensated Absences - Retirement	51,081	51,081	43,241	(7,840)	184,601
Educational Incentives	14,500	14,500	16,600	2,100	15,300
Insurance Refusal Reimbursement	1,500	1,500	2,625	1,125	1,875
ICMA Retirement Contract	8,261	8,261	8,262	1	8,073
FICA	4,038	4,038	3,995	(43)	3,742
Medicare	35,369	35,369	32,910	(2,459)	30,983
IMRF	7,789	7,789	7,575	(214)	7,411
Fringe Benefits	1,800	1,800	1,800		1,650
Health Insurance	340,076	290,076	270,801	(19,275)	291,545
Health Insurance - Retirees	22,124	22,124	23,398	1,274	16,539
Life Insurance	1,254	1,254	1,164	(90)	1,550
HDHP Contributions	56,537	56,537	44,777	(11,760)	45,931
Contribution to Fire Pension	1,086,300	1,086,300	1,086,300		946,756
Total Personal Services	4,054,746	3,885,746	3,829,864	(55,882)	3,845,506
Contractual Services					
Communications	4,900	4,900	5,090	190	3,299
Data Processing	5,126	5,126	4,826	(300)	4,826
Maintenance of Equipment	7,400	7,400	6,307	(1,093)	3,022
Maintenance of Vehicles	29,750	29,750	46,354	16,604	55,497
Maintenance of Office Equipment	500	500		(500)	
Maintenance of Buildings	3,500	3,500	3,123	(377)	3,283
Training	17,750	17,750	17,937	187	6,213
Community Support Services	16,300	16,300	14,577	(1,723)	14,889
Travel and Meeting Expense	5,300	5,300	976	(4,324)	2,790

VILLAGE OF RIVER FOREST, ILLINOIS

General Fund

Schedule of Expenditures – Budget and Actual
 Year Ended April 30, 2017
 With Comparative Actual for the Year Ended April 30, 2016

	Original Budget	Final Budget	2017 Actual	Variance From Final Budget Over (Under)	2016 Actual
Public Safety (Cont.)					
Fire Department (Cont.)					
Contractual Services (Cont.)					
Dues and Subscriptions	3,340	3,340	2,632	(708)	2,808
Medical Examination	15,000	5,000	345	(4,655)	543
Total Contractual Services	108,866	98,866	102,167	3,301	97,170
Commodities					
Office Supplies	1,800	1,800	748	(1,052)	1,445
Gas and Oil	11,171	11,171	12,644	1,473	10,091
Uniforms	18,500	18,500	17,693	(807)	20,129
Operating Supplies	22,800	22,800	23,544	744	25,266
Total Commodities	54,271	54,271	54,629	358	56,931
Total Fire Department	4,217,883	4,038,883	3,986,660	(52,223)	3,999,607
Total Public Safety	9,781,700	9,484,700	9,364,470	(120,230)	9,173,978
Public Works					
Administration and Operations					
Personal Services					
Salaries	453,568	453,568	462,665	9,097	441,985
Certification Pay	7,950	7,950	7,900	(50)	7,950
Overtime Pay	50,000	50,000	55,932	5,932	34,600
Temporary Help	8,000	8,000	4,560	(3,440)	2,682
FICA	31,766	31,766	32,257	491	29,821
Medicare	7,522	7,522	7,599	77	6,974
IMRF	55,212	55,212	60,573	5,361	58,296
Fringe Benefits	4,080	4,080	4,490	410	4,379
Health Insurance	125,907	125,907	115,534	(10,373)	106,388
Health Insurance - Retirees	13,477	13,477	12,918	(559)	12,759
Life Insurance	210	210	168	(42)	200
HDHP Contribution	3,997	3,997	4,238	241	3,195
Total Personal Services	761,689	761,689	768,834	7,145	709,229
Contractual Services					
Communications	1,210	1,210	836	(374)	1,261
Consulting Services	24,000	24,000	23,073	(927)	13,477
Data Processing	22,000	22,000	21,324	(676)	24,353
JULIE Participation	700	700	1,618	918	1,834
Maintenance of Equipment	3,000	3,000	4,055	1,055	1,536
Maintenance of Vehicles	17,100	65,100	65,082	(18)	16,400
Maintenance Traffic/Street Lights	40,380	80,380	83,849	3,469	84,551
Tree Maintenance	89,750	126,750	126,456	(294)	62,301
Maintenance Buildings and Grounds	56,910	76,910	77,672	762	56,254
Maintenance Sidewalks	55,000	55,000	51,710	(3,290)	49,029
Maintenance Streets	188,000	188,000	178,107	(9,893)	147,494
Training	1,500	1,500	1,413	(87)	480
Travel and Meeting Expense	6,070	6,070	2,515	(3,555)	4,205
Dues and Subscriptions	2,330	2,330	2,655	325	1,700
Medical Examinations	1,550	1,550	248	(1,302)	1,095
Advertising/Legal Notice	1,500	1,500	1,900	400	826
Dumping Fees	11,000	11,000	8,283	(2,717)	8,808
Small Claims	40,000	40,000	22,879	(17,121)	24,874
Street Light Electricity	37,200	37,200	29,580	(7,620)	45,488
Total Contractual Services	599,200	744,200	703,255	(40,945)	545,966

VILLAGE OF RIVER FOREST, ILLINOIS

General Fund

Schedule of Expenditures – Budget and Actual
 Year Ended April 30, 2017
 With Comparative Actual for the Year Ended April 30, 2016

	Original Budget	Final Budget	2017 Actual	Variance From Final Budget Over (Under)	2016 Actual
Public Works					
Administration and Operations					
Commodities					
Office Supplies	1,000	1,000	545	(455)	1,071
Gas and Oil	32,470	32,470	13,718	(18,752)	15,428
Uniforms	5,575	5,575	4,553	(1,022)	4,554
Vehicle Parts	10,000	10,000	3,825	(6,175)	6,000
Operating Equipment	40,220	40,220	43,313	3,093	36,237
Trees	28,250	28,250	31,958	3,708	57,387
Snow and Ice Control	73,507	73,507	39,705	(33,802)	38,800
Total Commodities	191,022	191,022	137,617	(53,405)	159,477
Total Public Works	1,551,911	1,696,911	1,609,706	(87,205)	1,414,672
Sanitation					
Contractual Services					
Collection and Disposal	994,912	994,912	1,016,248	21,336	962,352
Leaf Disposal	68,000	68,000	65,235	(2,765)	69,829
Total Contractual Services	1,062,912	1,062,912	1,081,483	18,571	1,032,181
Commodities					
Operating Supplies	500	500		(500)	
Total Sanitation	1,063,412	1,063,412	1,081,483	18,071	1,032,181
Total Expenditures	\$ 15,018,812	\$ 15,018,812	14,817,841	(200,971)	14,270,842

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, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Original & Final Budget	2017 Actual	Variance With Final Budget Over (Under)	2016 Actual
Revenues				
Intergovernmental	\$ 365,355	358,730	(6,625)	285,767
Investment Income	1,000	3,151	2,151	755
Total Revenues	<u>366,355</u>	<u>361,881</u>	<u>(4,474)</u>	<u>286,522</u>
Expenditures				
Current				
Highway and Streets	<u>495,050</u>	<u>348,758</u>	<u>(146,292)</u>	<u>513,450</u>
Net Change in Fund Balance	<u>\$ (128,695)</u>	<u>13,123</u>	<u>141,818</u>	<u>(226,928)</u>
Fund Balance				
Beginning		<u>608,881</u>		<u>835,809</u>
Ending		<u>622,004</u>		<u>608,881</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, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Final Budget	2017 Actual	Variance With Final Budget Over (Under)	2016 Actual
Revenues				
Taxes	\$ 265,481	259,674	(5,807)	240,702
Investment Income	150	953	803	283
Total Revenues	<u>265,631</u>	<u>260,627</u>	<u>(5,004)</u>	<u>240,985</u>
Expenditures				
Debt Service				
Principal	239,480	239,480		205,000
Interest	9,327	8,302	(1,025)	12,253
Total Expenditures	<u>248,807</u>	<u>247,782</u>	<u>(1,025)</u>	<u>217,253</u>
Net Change in Fund Balance	<u>\$ 16,824</u>	12,845	<u>(3,979)</u>	23,732
Fund Balance				
Beginning		<u>172,810</u>		<u>149,078</u>
Ending		<u>185,655</u>		<u>172,810</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.

Madison Street TIF Fund (Nonmajor Fund) is used to account for all financial activity related to the Madison Street Tax Increment Financing District. Revenues are provided through the collection of incremental property taxes from the increasing value of property within the district and transfers from the General Fund. The revenues are used to facilitate redevelopment along the corridor in accordance with applicable Illinois TIF Statutes.

VILLAGE OF RIVER FOREST, ILLINOIS

Economic Development Fund

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

Year Ended April 30, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Original & Final Budget	2017 Actual	Variance With Final Budget Over (Under)	2016 Actual
Revenues				
Intergovernmental	\$	21,224	21,224	1,597
Investment Income	1,250	7,385	6,135	4,828
Total Revenues	1,250	28,609	27,359	6,425
Expenditures				
Current Development	2,115,045	1,293,408	(821,637)	196,020
Net Change in Fund Balance	<u>\$ (2,113,795)</u>	(1,264,799)	<u>848,996</u>	(189,595)
Fund Balance				
Beginning		<u>2,100,068</u>		<u>2,289,663</u>
Ending		<u>835,269</u>		<u>2,100,068</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, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Original & Final Budget	2017 Actual	Variance With Final Budget Over (Under)	2016 Actual
Revenues				
Intergovernmental	\$			10,718
Investment Income	48,548	37,705	(10,843)	25,542
Miscellaneous	5,000	5,002	2	4,999
Total Revenues	53,548	42,707	(10,841)	41,259
Expenditures				
Capital Outlay	1,531,315	562,073	(969,242)	471,322
Excess (Deficiency) of Revenues Over Expenditures	(1,477,767)	(519,366)	958,401	(430,063)
Other Financing Sources				
Transfers In	499,599	421,250	(78,349)	461,547
Sale of Capital Assets	20,000	27,906	7,906	36,832
Total Other Financing Sources	519,599	449,156	(70,443)	498,379
Net Change in Fund Balance	<u>\$ (958,168)</u>	(70,210)	<u>887,958</u>	68,316
Fund Balance				
Beginning		<u>3,702,922</u>		<u>3,634,606</u>
Ending		<u>3,632,712</u>		<u>3,702,922</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, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)	2016 Actual
Revenues					
Intergovernmental	\$ 78,393	78,393	715,799	637,406	25,000
Charges for Services	60,682	60,682	64,095	3,413	63,628
Fines and Forfeits					
Automated Traffic Signal Enforcement	621,079	621,079	923,305	302,226	909,062
Investment Income	3,800	3,800	11,582	7,782	7,186
Total Revenues	<u>763,954</u>	<u>763,954</u>	<u>1,714,781</u>	<u>950,827</u>	<u>1,004,876</u>
Expenditures					
Current					
General Government	12,000	12,000	29,783		12,000
Capital Outlay	1,355,600	1,458,000	1,427,375	(952,969)	861,345
	<u>1,367,600</u>	<u>1,470,000</u>	<u>1,457,158</u>	<u>(952,969)</u>	<u>873,345</u>
Net Change in Fund Balance	<u>\$ (603,646)</u>	<u>(706,046)</u>	257,623	<u>1,903,796</u>	131,531
Fund Balance					
Beginning			<u>1,317,070</u>		<u>1,185,539</u>
Ending			<u>1,574,693</u>		<u>1,317,070</u>

VILLAGE OF RIVER FOREST, ILLINOIS

Madison Street TIF

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

Year Ended April 30, 2017

	Original & Final Budget	2017 Actual	Variance With Final Budget Over (Under)
Revenues			
Investment Income	\$	14	14
Expenditures			
Current			
General Government	56,000	54,300	(1,700)
Excess (Deficiency) of Revenues Over Expenditures	(56,000)	(54,286)	1,714
Other Financing (Sources) Uses			
Transfer In	50,000		(50,000)
Transfer Out		(43,207)	(43,207)
Total Other Financing (Sources) Uses	50,000	(43,207)	(93,207)
Net Change in Fund Balance	<u>\$ (6,000)</u>	(97,493)	<u>(91,493)</u>
Fund Balance			
Beginning		_____	
Ending		<u>(97,493)</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, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Original & Final Budget	2017 Actual	Variance With Final Budget Over (Under)	2016 Actual
Operating Revenues				
Charges for Services				
Water Sales	\$ 2,991,488	3,079,054	87,566	2,870,319
Sewer Charges	1,981,751	2,013,015	31,264	1,696,090
Sales of Meters	4,000	20,272	16,272	3,292
Total Operating Revenues	4,977,239	5,112,341	135,102	4,569,701
Operating Expenses, Excluding Depreciation				
Personal Services				
Salaries Regular	664,045	677,914	13,869	625,065
Specialists Pay	2,100	2,100		2,100
Overtime	12,000	5,765	(6,235)	4,815
Insurance Refusal Reimb	300	150	(150)	238
Part-Time Salaries	15,200	17,958	2,758	16,105
FICA	42,593	41,935	(658)	39,849
Medicare	10,160	9,987	(173)	9,429
IMRF	80,894	73,087	(7,807)	77,929
Fringe Benefits	4,610	5,090	480	4,816
Health Insurance	160,115	145,010	(15,105)	133,781
Health Insurance - Retirees	3,337	3,061	(276)	3,254
Other Post Employment Benefits		6,786	6,786	5,825
Life Insurance	322	410	88	367
HDHP Contributions	9,459	11,436	1,977	7,902
Total Personal	1,005,135	1,000,689	(4,446)	931,475
Contractual Services				
Electricity	33,600	39,712	6,112	33,553
Communications	4,320	6,540	2,220	5,612
Auditing	10,828	10,508	(320)	10,528
Consulting Services	13,500	3,974	(9,526)	37,826
IT Support	35,793	38,388	2,595	42,462
Inspections	1,100		(1,100)	
JULIE Participation	1,418	1,618	200	1,834
Bank Fees	13,928	23,437	9,509	13,898
Liability Insurance	38,193	34,731	(3,462)	33,562
Water System Maintenance	113,000	106,116	(6,884)	103,618
Hydrant Maintenance	43,000	17,974	(25,026)	12,914
Maintenance of Vehicles	8,000	7,860	(140)	17,698
Maintenance of Office Equipment	1,000	3,066	2,066	1,592
Maintenance of Buildings	15,250	14,147	(1,103)	6,795
Maintenance of Streets	12,000		(12,000)	17,232
Overhead Sewer Program	59,000	26,600	(32,400)	114,451

(Cont.)

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, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Original & Final Budget	2017 Actual	Variance With Final Budget Over (Under)	2016 Actual
Operating Expenses, Excluding Depreciation (Cont.)				
Contractual Services (Cont.)				
Sewer/Catch Basin Repair	50,000	51,466	1,466	33,484
Training	1,200	102	(1,098)	
Travel & Meeting	2,625	2,114	(511)	1,784
Dues & Subscriptions	1,460	897	(563)	1,542
Printing	6,309	5,219	(1,090)	5,573
Medical & Screening	700	80	(620)	
Water Testing	8,210	2,504	(5,706)	6,410
Advertising/Legal Notice	500		(500)	301
Dumping Fees	18,000	18,701	701	12,052
Damage Claims	4,000	5,770	1,770	33,126
Total Contractual Services	<u>496,934</u>	<u>421,524</u>	<u>(75,410)</u>	<u>547,847</u>
Commodities				
Office Supplies	500	167	(333)	223
Gas & Oil	12,077	9,158	(2,919)	10,065
Uniforms	1,475	557	(918)	800
Vehicle Parts	8,000	3,673	(4,327)	13,452
Operating Supplies	38,375	58,834	20,459	70,458
Postage	8,800	10,108	1,308	8,639
Water From Chicago	1,617,290	1,600,742	(16,548)	1,518,006
Total Commodities	<u>1,686,517</u>	<u>1,683,239</u>	<u>(3,278)</u>	<u>1,621,643</u>
Capital Outlay				
Building Improvements	53,500	4,995	(48,505)	38,620
Sewer System Improvements	175,000	182,575	7,575	13,958,887
Water System Improvements	501,500	490,316	(11,184)	43,212
Meter Replacement Program	16,000	14,496	(1,504)	22,458
Street Improvements	70,000	75,560	5,560	65,307
Total Capital Outlay	<u>816,000</u>	<u>767,942</u>	<u>(48,058)</u>	<u>14,128,484</u>
Total Operating Expenses, Excluding Depreciation	<u>\$ 4,004,586</u>	<u>3,873,394</u>	<u>(131,192)</u>	<u>17,229,449</u>

(Cont.)

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, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Original & Final Budget	2017 Actual	Variance With Final Budget Over (Under)	2016 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	\$ 4,004,586	3,873,394	(131,192)	17,229,449
Less Fixed Assets Capitalized (1)				(13,883,964)
Total Operating Expenses, Excluding Depreciation - GAAP Basis	4,004,586	3,873,394	(131,192)	3,345,485
Operating Income Before Depreciation	972,653	1,238,947	266,294	1,224,216
Depreciation	327,360	352,484	25,124	170,055
Operating Income	\$ 645,293	886,463	241,170	1,054,161
Nonoperating Revenues (Expenses)				
Investment Income	\$ 1,211	4,451	3,240	2,062
Principal Payments	(805,158)	(756,255)	48,903	(591,522)
Interest Expense	(344,885)	(327,437)	17,448	(162,831)
Transfer Out	(78,349)	(78,349)		
Loss on Disposal of Property		9,264	9,264	(8,192)
Transfers In				382,300
Miscellaneous	5,000	8,545	3,545	25,309
Total Nonoperating Revenues (Expenses)	(1,222,181)	(1,139,781)	82,400	(352,874)
Change in Net Position - Budgetary Basis	\$ (576,888)	(253,318)	323,570	701,287
Reconciliation of Budgetary Basis Change in Net Position to GAAP Basis Change in Net Position				
Change in Net Position - Budgetary Basis	\$ (576,888)	(253,318)	323,570	701,287
Plus Principal Payments	805,158	756,255	(48,903)	591,522
Plus Adjustment for Advance Budgeted as a Transfer	78,349	78,349		
Change in Net Position - GAAP Basis	\$ 306,619	581,286	274,667	1,292,809

(Cont.)

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, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Original & Final Budget	2017 Actual	Variance With Final Budget Over (Under)	2016 Actual
Net Position				
Net Position, Beginning of Year, as Previously Reported		8,640,898		7,461,745
Restatement for Adoption of GASB 68				(113,656)
Net Position, Beginning of Year, as Restated		<u>8,640,898</u>		<u>7,348,089</u>
Ending		<u><u>9,222,184</u></u>		<u><u>8,640,898</u></u>

(1) Waterworks and Sewerage Fund fixed asset purchases that are capitalized are not included on this line as they were not budgeted in this fund.

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

Combining Statement of Fiduciary Net Position – Pension Trust Funds

April 30, 2017

	Police Pension	Firefighters' Pension	Pension Trusts
Assets			
Cash and Cash Equivalents	\$ 753,037	1,355,830	2,108,867
Investments			
Equities		637,305	637,305
Corporate Bonds	2,719,732	3,138,702	5,858,434
Municipal Bonds	112,410		112,410
U.S. Government Obligations	4,373,056	2,627,674	7,000,730
Mutual Funds	11,491,788	6,871,597	18,363,385
Insurance Company Contracts	2,653,783		2,653,783
Accrued Interest	57,086	31,271	88,357
Due From Municipality	78,040	57,204	135,244
Prepaid Expense	8,234	4,831	13,065
Total Assets	22,247,166	14,724,414	36,971,580
Liabilities			
Accounts Payable	7,911	5,455	13,366
Net Position Restricted for Pensions	\$ 22,239,255	14,718,959	36,958,214

VILLAGE OF RIVER FOREST, ILLINOIS

Combining Statement of Changes in Fiduciary Net Position – Pension Trust Funds

Year Ended April 30, 2017

	Police Pension	Firefighters' Pension	Pension Trusts
Additions			
Contributions			
Participant Contributions	\$ 267,985	174,437	442,422
Employer Contributions	1,329,644	1,086,300	2,415,944
	<u>1,597,629</u>	<u>1,260,737</u>	<u>2,858,366</u>
Investment Income			
Net Appreciation in Fair Value of Investments	1,716,581	633,704	2,350,285
Interest and Dividends	447,671	396,547	844,218
	<u>2,164,252</u>	<u>1,030,251</u>	<u>3,194,503</u>
Less Investment Expense	45,157	64,668	109,825
Net Investment Income	<u>2,119,095</u>	<u>965,583</u>	<u>3,084,678</u>
Total Additions	<u>3,716,724</u>	<u>2,226,320</u>	<u>5,943,044</u>
Deductions			
Benefits	2,021,677	1,599,982	3,621,659
Refunds		1,544	1,544
Administrative Expense	117,319	46,400	163,719
	<u>2,138,996</u>	<u>1,647,926</u>	<u>3,786,922</u>
Total Deductions	<u>2,138,996</u>	<u>1,647,926</u>	<u>3,786,922</u>
Change in Net Position	1,577,728	578,394	2,156,122
Net Position Restricted for Pensions			
Beginning	<u>20,661,527</u>	<u>14,140,565</u>	<u>34,802,092</u>
Ending	<u>\$ 22,239,255</u>	<u>14,718,959</u>	<u>36,958,214</u>

VILLAGE OF RIVER FOREST, ILLINOIS

Police Pension Trust Fund

Schedule of Changes in Fiduciary Net Position – Budget and Actual

Year Ended April 30, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Original & Final Budget	2017 Actual	Variance With Final Budget Over (Under)	2016 Actual
Additions				
Contributions				
Participant Contributions	\$ 275,113	267,985	(7,128)	258,151
Employer Contributions	1,329,644	1,329,644		1,130,516
	<u>1,604,757</u>	<u>1,597,629</u>	<u>(7,128)</u>	<u>1,388,667</u>
Investment Income (Loss)				
Net Appreciation (Depreciation) in Fair Value of Investments	819,245	1,716,581	897,336	(481,376)
Interest and Dividends	526,496	447,671	(78,825)	335,289
	<u>1,345,741</u>	<u>2,164,252</u>	<u>818,511</u>	<u>(146,087)</u>
Less Investment Expense	33,200	45,157	(11,957)	30,258
Net Investment Income (Loss)	<u>1,312,541</u>	<u>2,119,095</u>	<u>806,554</u>	<u>(176,345)</u>
Total Additions	<u>2,917,298</u>	<u>3,716,724</u>	<u>799,426</u>	<u>1,212,322</u>
Deductions				
Benefits	2,230,033	2,021,677	(208,356)	2,060,037
Administrative Expense	89,121	117,319	28,198	62,316
Total Deductions	<u>2,319,154</u>	<u>2,138,996</u>	<u>(180,158)</u>	<u>2,122,353</u>
Change in Net Position	<u>\$ 598,144</u>	<u>1,577,728</u>	<u>979,584</u>	<u>(910,031)</u>
Net Position				
Beginning		<u>20,661,527</u>		<u>21,571,558</u>
Ending		<u>22,239,255</u>		<u>20,661,527</u>

VILLAGE OF RIVER FOREST, ILLINOIS

Firefighters' Pension Trust Fund

Schedule of Changes in Fiduciary Net Position – Budget and Actual

Year Ended April 30, 2017

With Comparative Actual for the Year Ended April 30, 2016

	Original & Final Budget	2017 Actual	Variance With Final Budget Over (Under)	2016 Actual
Additions				
Contributions				
Participant Contributions	\$ 196,582	174,437	(22,145)	184,123
Employer Contributions	1,086,300	1,086,300		946,756
	<u>1,282,882</u>	<u>1,260,737</u>	<u>(22,145)</u>	<u>1,130,879</u>
Investment Income (Loss)				
Net Appreciation (Depreciation) in				
Fair Value of Investments	600,287	633,704	33,417	(1,168,674)
Interest and Dividends	304,453	396,547	92,094	379,300
	<u>904,740</u>	<u>1,030,251</u>	<u>125,511</u>	<u>(789,374)</u>
Less Investment Expense	49,900	64,668	(14,768)	56,610
Net Investment Income (Loss)	<u>854,840</u>	<u>965,583</u>	<u>110,743</u>	<u>(845,984)</u>
Total Additions	<u>2,137,722</u>	<u>2,226,320</u>	<u>88,598</u>	<u>284,895</u>
Deductions				
Benefits	1,706,280	1,599,982	(106,298)	1,382,009
Refunds		1,544	1,544	
Administrative Expense	47,796	46,400	(1,396)	50,589
Total Deductions	<u>1,754,076</u>	<u>1,647,926</u>	<u>(106,150)</u>	<u>1,432,598</u>
Change in Net Position	<u>\$ 383,646</u>	<u>578,394</u>	<u>194,748</u>	<u>(1,147,703)</u>
Net Position				
Beginning		<u>14,140,565</u>		<u>15,288,268</u>
Ending		<u>14,718,959</u>		<u>14,140,565</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, 2017

Governmental Funds Capital Assets

Land	\$ 1,139,497
Right of Ways	3,826,453
Construction in Progress	153,560
Buildings	5,641,020
Vehicles and Equipment	4,516,878
Infrastructure	<u>12,761,875</u>

Total Governmental Funds Capital Assets \$ 28,039,283

Investments in Governmental Funds Capital Assets by Source

From Current Revenues \$ 28,039,283

VILLAGE OF RIVER FOREST, ILLINOIS

Capital Assets Used in the Operations of Governmental Funds

Schedule by Function and Activity

April 30, 2017

	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
Construction in Progress		28,000		125,560	153,560
Buildings	4,765,950	81,157		793,913	5,641,020
Vehicles and Equipment	254,339	3,161,542		1,100,997	4,516,878
Infrastructure			12,761,875		12,761,875
	<u>\$ 6,159,786</u>	<u>3,270,699</u>	<u>16,588,328</u>	<u>2,020,470</u>	<u>28,039,283</u>

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, 2017

	May 1, 2016	Additions	Deletions	Transfers	April 30, 2017
General Government	\$ 5,987,387	192,422	20,023		6,159,786
Public Safety	2,950,792	432,290	112,383		3,270,699
Highways and Streets	16,451,524	138,337	1,533		16,588,328
Public Works	1,203,161	883,648	66,339		2,020,470
	<u>\$ 26,592,864</u>	<u>1,646,697</u>	<u>200,278</u>	<u>-</u>	<u>28,039,283</u>

OTHER SUPPLEMENTARY INFORMATION

VILLAGE OF RIVER FOREST, ILLINOIS

Schedule of Long-Term Debt Service Requirements

General Obligation (Limited Tax) Bonds, Series 2005

April 30, 2017

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
2016	\$ 50,000	2,074	52,074	2017	1,037	2017	1,037

VILLAGE OF RIVER FOREST, ILLINOIS

Schedule of Long-Term Debt Service Requirements

General Obligation (Limited Tax) Bonds, Series 2016

April 30, 2017

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
2016	\$ 192,820	2,410	195,230	2017	2,410

VILLAGE OF RIVER FOREST, ILLINOIS

Schedule of Long-Term Debt Service Requirements

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

April 30, 2017

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
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>\$ 335,000</u>	<u>20,540</u>	<u>355,540</u>		<u>10,270</u>		<u>10,270</u>

VILLAGE OF RIVER FOREST, ILLINOIS

Schedule of Long-Term Debt Service Requirements

Community Bank Loan

April 30, 2017

Date of Issue September 19, 2014
Date of Maturity February 15, 2019
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	
2018	\$ 52,935	1,755	54,690
2019	45,573	565	46,138
	<u>\$ 98,508</u>	<u>2,320</u>	<u>100,828</u>

VILLAGE OF RIVER FOREST, ILLINOIS

Schedule of Long-Term Debt Service Requirements

IEPA Loan

April 30, 2017

Date of Issue	December 3, 2015
Date of Maturity	May 6, 2026
Authorized Issue	\$14,711,293
Interest Rate	2.21%
Interest Dates	December and June 3
Payable	IEPA
Purpose	Northside Stormwater Management Project

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		Totals
	Principal	Interest	
2018	\$ 607,395	309,751	917,146
2019	620,893	296,253	917,146
2020	634,690	282,456	917,146
2021	648,795	268,351	917,146
2022	663,211	253,934	917,145
2023	677,950	239,196	917,146
2024	693,016	224,130	917,146
2025	708,416	208,730	917,146
2026	724,159	192,987	917,146
2027	740,250	176,896	917,146
2028	756,700	160,446	917,146
2029	773,515	143,630	917,145
2030	790,705	126,441	917,146
2031	808,276	108,870	917,146
2032	826,238	90,908	917,146
2033	844,599	72,547	917,146
2034	863,366	53,780	917,146
2035	882,552	34,593	917,145
2036	902,164	14,981	917,145
	<u>\$ 14,166,890</u>	<u>3,258,880</u>	<u>17,425,770</u>

STATISTICAL SECTION
(Unaudited)

VILLAGE OF RIVER FOREST, ILLINOIS

Statistical Section

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>
Financial Trends	
These schedules contain information to help the reader understand how the Village's financial performance and well-being have changed over time.	126-133
Revenue Capacity	
These schedules contain information to help the reader assess the Village's most significant local revenue sources, the sales tax and the property tax.	134-142
Debt Capacity	
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.	143-147
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	148-152
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	153-157

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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Governmental Activities				
Net Investment in Capital Assets	\$ 18,574,462	17,549,045	17,550,257	17,489,924
Restricted	2,190,893	3,522,426	3,910,388	3,843,897
Unrestricted	(22,297,066)	(21,075,877)	10,699,288	9,293,650
Total Governmental Activities Net Assets	(1,531,711)	(4,406)	32,159,933	30,627,471
Business-Type Activities				
Net Investment in Capital Assets	7,286,464	6,759,387	6,307,314	4,985,125
Restricted	31,044	31,044	31,044	35,000
Unrestricted	1,904,676	1,850,467	1,123,387	1,721,614
Total Business-Type Activities Net Assets	9,222,184	8,640,898	7,461,745	6,741,739
Primary Government				
Net Investment in Capital Assets	25,860,926	24,308,432	23,857,571	22,475,049
Restricted	2,221,937	3,553,470	3,941,432	3,878,897
Unrestricted	(20,392,390)	(19,225,410)	11,822,675	11,015,264
Total Net Position	\$ 7,690,473	8,636,492	39,621,678	37,369,210

Data Source

Audited Financial Statements

2013	2012	2011	2010	2009	2008
16,963,950	17,117,381	17,028,863	16,505,843	12,863,300	9,177,914
3,732,052	3,270,398	3,837,090	7,404,892	10,007,290	10,694,552
7,797,449	6,882,014	5,921,662	4,984,369	3,841,809	3,996,317
28,493,451	27,269,793	26,787,615	28,895,104	26,712,399	23,868,783
4,775,037	4,682,056	4,588,385	4,781,583	4,182,910	5,244,490
1,428,687	1,083,706	1,140,252	991,038	1,805,129	949,805
6,203,724	5,765,762	5,728,637	5,772,621	5,988,039	6,194,295
21,738,987	21,799,437	21,617,248	21,287,426	17,046,210	14,422,404
3,732,052	3,270,398	3,837,090	7,404,892	10,007,290	11,255,587
9,226,136	7,965,720	7,061,914	5,975,407	5,646,938	4,385,087
34,697,175	33,035,555	32,516,252	34,667,725	32,700,438	30,063,078

VILLAGE OF RIVER FOREST, ILLINOIS

Changes in Net Position

Last Ten Fiscal Years

Fiscal Year	2017	2016	2015	2014
Governmental Activities				
Governmental Activity Expenses				
General Government	\$ 2,691,842	2,460,334	2,287,249	2,126,040
Development	1,773,443	557,136	387,869	305,332
Public Safety	11,693,602	11,474,585	9,426,332	9,494,525
Public Works	1,612,495	1,445,697	1,687,482	1,545,709
Highways and Streets	752,242	1,371,856	488,021	537,963
Sanitation	1,081,483	1,032,181	947,658	948,835
Interest	7,706	9,811	16,724	23,685
Total Governmental Activities Expenses	19,612,813	18,351,600	15,241,335	14,982,089
Governmental Activity Revenues				
Governmental Activities				
Charges for Services				
General Government	2,172,129	1,462,240	1,510,120	1,446,959
Public Safety	1,503,040	1,600,463	1,495,617	1,361,306
Sanitation	997,436	947,369	895,892	881,518
Operating Grants and Contributions	449,074	347,607	659,933	999,002
Capital Grants and Contributions	236,734	316,519		
Total Governmental Activities Program Revenues	5,358,413	4,674,198	4,561,562	4,688,785
Net Activity Expense of Governmental Activities	(14,254,400)	(13,677,402)	(10,679,773)	(10,293,304)
General Revenues				
Property Taxes	6,547,365	6,396,586	6,288,974	6,252,288
Utility Taxes	614,522	559,018	657,968	703,108
Non-Home Rule Sales Tax	824,652	885,574	871,224	819,156
Communications Taxes	309,679	342,467	357,535	354,715
Other Taxes	288,390	338,067	337,637	358,573
Intergovernmental Taxes				
Sales Taxes	1,727,402	1,852,443	1,855,258	1,731,032
Income Taxes	1,056,031	1,190,627	1,094,125	1,088,668
Other Intergovernmental Taxes	621,831	475,402	448,870	415,079
Miscellaneous	604,151	268,703	319,459	656,459
Interest	114,035	87,975	(18,815)	48,246
Transfers		(382,300)		
Gain on Sale	19,037			
Total General Revenues	12,727,095	12,014,562	12,212,235	12,427,324
Change in Governmental Net Position	(1,527,305)	(1,662,840)	1,532,462	2,134,020
Business-Type Activities				
Water and Sewerage Services				
Expenses	4,553,315	3,686,563	3,340,341	3,266,821
Charges for Services	5,112,341	4,569,701	4,069,829	3,765,294
Operating Grants and Contributions				35,000
General Revenues - Miscellaneous and Interest	12,996	27,371	(9,482)	4,542
Transfers		382,300		
Gain on Sale	9,264			
Change in Business-Type Net Position	581,286	1,292,809	729,488	533,473
Change in Net Position	\$ (946,019)	(370,031)	2,261,950	2,667,493

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.

2013	2012	2011	2010	2009	2008
2,323,003	2,197,996	1,888,093	1,843,380	1,808,789	1,729,449
428,951	381,135	4,272,988 (a)	5,330,786 (a)	1,823,349	1,749,423
8,235,039	8,392,462	8,072,459	7,667,352	7,427,770	6,408,588
1,827,429	1,719,637	1,192,097	1,444,632	1,598,558	1,795,024
775,263	771,378	1,314,666	273,380	822,825	472,075
873,032	845,444	817,146	826,640	887,122	863,132
29,391	34,807	39,758	122,883	190,336	363,003
14,492,108	14,342,859	17,597,207	17,507,053	14,558,749	13,380,694
1,252,826	1,357,490	1,289,731	1,177,211	1,021,630	939,161
614,867	494,604	511,722	451,285	439,907	377,821
864,918	846,480	829,203	853,344	582,590	516,892
520,829	773,028	430,964	366,036	399,941	449,488
3,253,440	3,471,602	3,061,620	2,847,876	2,444,068	2,283,362
(11,238,668)	(10,871,257)	(14,535,587)	(14,659,177)	(12,114,681)	(11,097,332)
6,043,549	6,066,344	7,113,400	11,076,944	9,439,952	8,816,793
638,421	633,425	671,741	621,328	713,256	742,549
784,724	582,803				
430,716	458,241	465,157	510,374	516,635	507,336
318,271	62,334	55,782	69,967	68,327	108,057
1,708,082	1,616,998	1,744,366	1,707,772	781,536	915,419
1,006,827	914,422	900,398	897,371	1,024,643	1,096,207
398,964	603,032	568,597	867,982	2,241,839	1,878,948
564,260	360,756	833,164	458,896	114,817	305,059
99,496	55,080	111,638	631,248	57,292	508,337
11,993,310	11,353,435	12,464,243	16,841,882	14,958,297	14,878,705
754,642	482,178	(2,071,344)	2,182,705	2,843,616	3,781,373
3,026,206	2,870,851	2,616,346	2,449,591	2,450,355	2,186,752
3,461,248	2,906,436	2,543,339	2,216,712	2,251,741	2,252,572
2,920	1,540	9,585	17,461	(7,642)	60,508
435,042	35,585	(63,422)	(232,879)	(198,614)	65,820
1,189,684	517,763	(2,134,766)	1,949,826	2,645,002	3,847,193

VILLAGE OF RIVER FOREST, ILLINOIS

Fund Balances of Governmental Funds

Last Ten Fiscal Years

Fiscal Year	2017	2016	2015	2014
General Fund				
Nonspendable	\$ 2,724,622	2,322,885	2,154,326	1,983,424
Restricted	645,458	640,667	635,838	611,678
Committed				
Unassigned	6,931,525	6,398,258	6,093,311	5,590,013
Total General Fund	10,301,605	9,361,810	8,883,475	8,185,115
All Other Governmental Funds				
Nonspendable				3,943
Restricted	1,545,435	2,881,759	3,274,550	3,232,219
Committed	5,207,405	5,019,992	4,820,145	3,976,226
Total All Other Governmental Funds	6,752,840	7,901,751	8,094,695	7,212,388
Total Governmental Funds	\$ 17,054,445	17,263,561	16,978,170	15,397,503
Governmental Fund Balances				
Over (Under) Prior Year	\$ (209,116)	285,391	1,580,667	2,205,516

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.

2013	2012	2011	2010	2009	2008
1,643,742	1,301,792	1,287,689	837,499	685,725	961,261
535,032	535,032	535,032	535,032	535,032	535,032
570,699	516,516	462,828	409,627	399,932	349,930
4,713,973	3,730,135	3,150,642	2,893,157	645,676	1,485,953
7,463,446	6,083,475	5,436,191	4,675,315	2,266,365	3,332,176
4,876		6,662	5,032	2,896	3,506
3,192,144	3,270,398	3,830,428	6,669,028	10,558,304	11,255,587
2,531,521	2,298,756	1,691,305	1,398,063	1,936,559	877,606
5,728,541	5,569,154	5,528,395	8,072,123	12,497,759	12,136,699
13,191,987	11,652,629	10,964,586	12,747,438	14,764,124	15,468,875
1,539,358	688,043	(1,782,852)	(2,016,686)	(704,751)	602,272
		(a)	(a)		

VILLAGE OF RIVER FOREST, ILLINOIS

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

Fiscal Year	2017	2016	2015	2014
Revenues				
Local Taxes				
Property Taxes	\$ 6,547,365	6,396,586	6,288,974	6,252,288
Utility Taxes	614,522	559,018	657,968	703,108
Non Home Rule Sales Tax	824,652	885,574	871,224	819,156
Communications Taxes	309,679	342,467	357,535	354,715
Other Taxes	288,390	338,067	337,637	358,573
Intergovernmental	3,882,732	3,616,562	3,522,727	3,234,779
Licenses and Permits	1,762,852	1,117,850	1,089,895	1,039,249
Grants	685,808	285,767	338,260	999,002
Charges for Services	1,742,021	1,702,203	1,663,283	1,608,188
Fines and Forfeits	1,167,732	1,190,019	1,148,451	1,042,346
Interest	114,035	87,975	(18,815)	48,246
Miscellaneous	604,151	268,703	319,459	648,909
Total Revenues	<u>18,543,939</u>	<u>16,790,791</u>	<u>16,576,598</u>	<u>17,108,559</u>
Expenditures				
Current				
General Government	2,366,230	2,300,895	2,172,163	2,016,560
Development	1,773,443	361,116	387,869	305,332
Public Safety	9,364,470	9,173,978	8,882,699	8,681,795
Public Works	1,609,706	1,414,672	1,552,587	1,526,684
Highways and Streets	348,758	513,450	195,174	257,991
Sanitation	1,081,483	1,032,181	947,658	948,835
Miscellaneous				
Debt Service				
Principal Payments	239,480	205,000	200,000	195,000
Interest and Fees	8,302	12,253	19,683	26,322
Capital Outlay	1,989,448	1,528,687	741,820	952,074
Total Expenditures	<u>18,781,320</u>	<u>16,542,232</u>	<u>15,099,653</u>	<u>14,910,593</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(237,381)</u>	<u>248,559</u>	<u>1,476,945</u>	<u>2,197,966</u>
Other Financing Sources (Uses)				
Bond Proceeds		382,300		
Sale of Capital Assets	28,265	36,832	103,722	7,550
Transfers In	464,457	461,547	465,423	1,051,857
Transfers Out	(464,457)	(843,847)	(465,423)	(1,051,857)
Total Other Financing Sources (Uses)	<u>28,265</u>	<u>36,832</u>	<u>103,722</u>	<u>7,550</u>
Net Change in Fund Balance	<u>\$ (209,116)</u>	<u>285,391</u>	<u>1,580,667</u>	<u>2,205,516</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>1.5%</u>	<u>1.4%</u>	<u>1.5%</u>	<u>1.6%</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.

2013	2012	2011	2010	2009	2008
6,043,549	6,066,344 (a)	7,113,400	11,076,944	9,439,952	8,816,793
638,421	633,425	671,741	621,328	713,256	742,549
784,724	582,803				
430,716	458,241	465,157	510,374	516,635	507,336
318,271	62,334	55,782	69,967	68,327	108,057
3,276,568	3,581,164	3,700,048	3,473,125	4,048,018	4,215,397
908,504	993,956	406,691	817,869	729,008	691,047
358,134	326,316	409,434	366,036	399,941	124,665
1,462,982	1,430,222	1,476,155	1,408,020	1,086,744	966,788
361,125	274,396	282,653	255,951	228,375	176,039
55,366	55,080	111,638	284,278	57,292	508,337
621,140	346,787	811,582	798,479	114,817	55,059
15,259,500	14,811,068	15,504,281	19,682,371	17,402,365	16,912,067
2,246,443	2,020,871	1,873,360	1,717,393	1,808,789	1,691,030
428,951	381,135	4,123,278	5,317,329	1,820,015	1,381,012
7,455,368	7,990,189	8,154,593	7,425,037	7,058,708	6,726,613
1,788,908	1,398,745	1,297,184	1,192,097	1,598,558	1,795,024
513,744	518,007	477,823	269,891	585,216	264,304
873,032	845,444	817,146	826,640	887,122	863,132
				31,207	
190,000	185,000	180,000	3,140,000	4,575,000	2,070,000
31,776	37,001	41,671	173,774	255,258	392,952
236,050	774,434	1,598,590	661,676	522,243	1,375,728
13,764,272	14,150,826	18,563,645	20,723,747	19,142,116	16,559,795
1,495,228	660,242	(3,059,364)	(1,041,376)	(1,739,751)	352,272
44,130	27,801	21,582	7,387	1,035,000	250,000
338,088	888,347	4,543,412	4,053,662	3,615,216	2,731,189
(338,088)	(888,347)	(4,543,412)	(4,053,662)	(3,615,216)	(2,731,189)
44,130	27,801	21,582	7,387	1,035,000	250,000
1,539,358	688,043	(3,037,782)	(1,033,989)	(704,751)	602,272
1.7%	1.7%	1.3%	16.6%	25.9%	16.2%

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	
2016	\$						
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							

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

Village Property Tax Rate	Equalization Factor	Total Equalized Assessed Value	Total Estimated Value of Property (in thousands)
1.357 %	2.8032	485,584,510	1,456,754
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

VILLAGE OF RIVER FOREST, ILLINOIS

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

Last Ten Levy Years

Tax Levy Year	2016	2015	2014	2013	2012	2011
Calendar Year Collected	2017	2016	2015	2014	2013	2012
Corporate	1.304	1.334	1.272	1.239	1.131	1.010
Debt Service	0.054	0.055	0.047	0.047	0.044	0.041
Village of River Forest	1.357	1.389	1.319	1.286	1.175	1.051
School Districts	8.403	8.643	7.539	7.559	7.467	6.960
Cook County	0.533	0.552	0.568	0.560	0.531	0.462
Park District	0.324	0.331	0.316	0.307	0.279	0.249
Water Reclamation	0.406	0.426	0.430	0.417	0.370	0.320
Public Library	0.252	0.258	0.246	0.239	0.218	0.195
Township	0.121	0.124	0.119	0.115	0.104	0.093
Other (1)	0.080	0.120	0.085	0.116	0.078	0.097
	<u>11.476</u>	<u>11.843</u>	<u>10.622</u>	<u>10.599</u>	<u>10.222</u>	<u>9.427</u>

Note:

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

Data Source

Cook County Clerk's Office

2010 2011	2009 2010	2008 2009	2007 2008
0.807	0.784	0.841	0.926
0.033	0.036	0.039	0.039
0.840	0.820	0.880	0.965
5.665	5.502	5.843	6.234
0.423	0.394	0.415	0.446
0.209	0.255	0.317	0.357
0.274	0.261	0.252	0.263
0.155	0.151	0.161	0.176
0.075	0.078	0.084	0.093
0.062	0.081	0.063	0.077
7.703	7.542	8.015	8.611

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
2017	¹ \$ 6,589,043	3,399,652	51.6%		3,399,652	51.6%
2016	6,533,103	3,181,100	48.7%	3,147,713	6,328,813	96.9%
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%

¹ This tax levy is still in collection. The balance of the 2016 tax levy will be distributed to the Village in the summer of 2017. The amount shown as collected reflects an estimate, distributed by the County in the spring of 2017.

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 Library, and the incremental tax funding for the TIF area.

Data Source

Cook County Clerk's Office - taxreports.cookcountyclerk.com

VILLAGE OF RIVER FOREST, ILLINOIS

Taxable Sales by Category

Last Ten Calendar Years

Calendar Year	2016	2015	2014	2013	2012
Food	\$ 84,845,182	93,384,672	86,839,850	83,090,364	82,384,987
Drinking and Eating Places	10,597,413	11,622,400	11,284,119	11,091,040	10,503,313
Apparel	12,826,731	12,403,517	12,012,716	11,440,630	8,420,227
Furniture, Household and Radio	892,375	1,192,015	1,005,940	647,607	1,455,272
Lumber, Building and Hardware	1,229,841	1,203,379	1,120,171	1,446,699	1,376,899
Automotive Filling Stations	6,680,016	5,876,933	7,432,655	6,871,057	6,313,330
Drugs and Other Retail	52,652,468	52,713,770	58,375,494	55,937,317	52,612,341
Agriculture and Extractive	5,410,059	6,532,535	4,447,353	3,610,013	3,637,839
Manufacturers	57,032	90,695	122,363	128,734	497,559
General Merchandise				9,152	35,374
Total	\$ 175,191,117	185,019,916	182,640,661	174,272,613	167,237,141
Village Statutory Allocated					
Sales Tax Rate	1.00%	1.00%	1.00%	1.00%	1.00%

Notes:

Sales tax information for the calendar year 2016 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

2011	2010	2009	2008	2007
82,079,398	83,020,444	85,966,358	94,027,986	93,555,481
10,010,672	9,930,377	9,077,434	9,349,870	8,853,913
6,791,374	5,763,602	6,539,962	9,416,078	13,384,501
1,074,876	1,678,393	3,457,753	5,790,508	5,835,259
1,606,111			2,632,304	2,846,965
6,836,592	6,102,603	4,926,783	6,257,395	6,535,949
46,106,080	39,548,571	40,523,397	41,624,866	39,400,174
5,545,906	8,196,057	6,734,564	8,332,554	7,702,215
	1,176,461	1,194,018		1,392,253
				462,075
160,051,009	155,416,508	158,420,269	177,431,561	179,968,785
1.00%	1.00%	1.00%	1.00%	1.00%

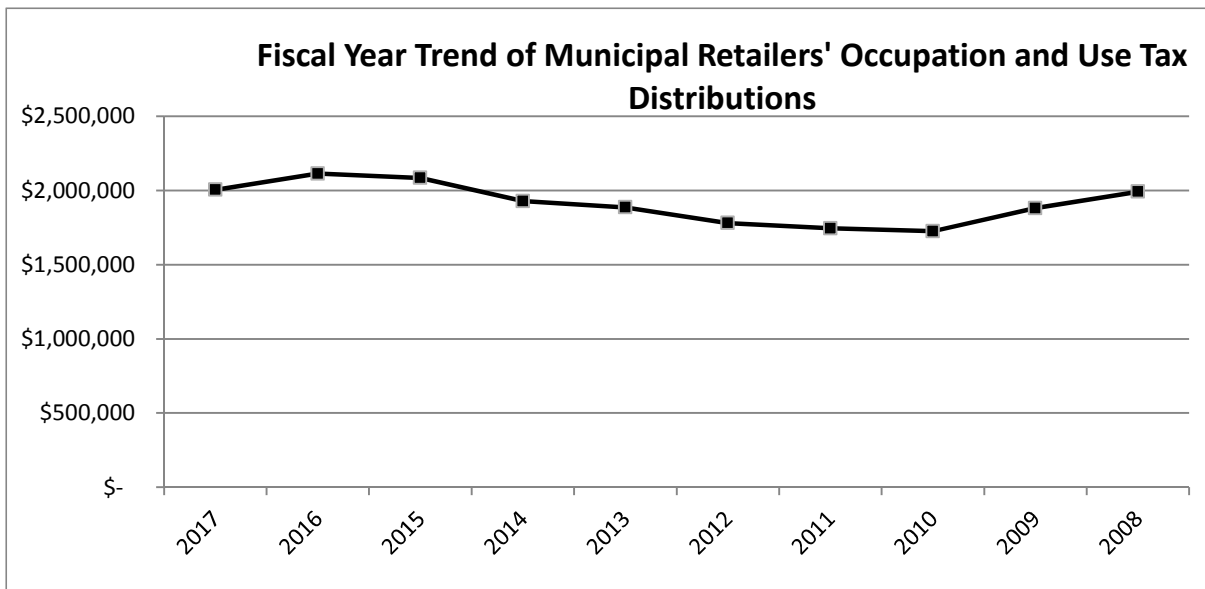
VILLAGE OF RIVER FOREST, ILLINOIS

Municipal Retailers' Occupation and Use Tax Receipts

Last Ten Fiscal Years

Fiscal Year	State Sales and Use Tax Distributions	Annual Change	
		Amount	Percentage
2017	\$ 2,003,864	(109,473)	-5.18%
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%

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



VILLAGE OF RIVER FOREST, ILLINOIS

Top Ten Principal Property Taxpayers

2016 Levy Year and Nine Years Ago

Taxpayer	Type of Business	2016 Levy Year (1)		2007 Levy Year	
		Equalized Assessed Valuation	Percentage of Total Assessed Valuation	Equalized Assessed Valuation	Percentage of Total Assessed Valuation
River Forest Town Center One	Retail Center	\$ 9,401,678	1.9%	12,558,842	2.4%
Mac Neal (formerly Vanguard Health Systems)	Medical Center	6,913,515	1.4%	6,142,082	1.2%
River Forest Town Center Two	Retail Center	5,094,454	1.0%	8,001,492	1.6%
Albertson's (Jewel)	Grocery Store	3,379,720	0.7%	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%
Ell Bay (Fresenius)	Medical Center	1,383,306	0.3%		
Co HAS (Loyola)	Medical Center	1,345,533	0.3%		
Plunkett Furniture Co.	Retail Store			1,240,623	0.2%
Corus Bank				1,091,433	0.2%
Mid America Asset Mgmt	Grocery Store			1,626,469	0.3%
Jack Strand	Retail Center	844,534	0.2%		
Keystone Montessori	School	836,422	0.2%		
River Forest Tennis Club	Recreation	767,042	0.2%		
Chicago Title Land Trust	Retail Center	672,552	0.1%		
Totals		<u>\$ 30,638,756</u>	<u>6.3%</u>	<u>43,030,900</u>	<u>8.3%</u>
Total Village of River Forest Equalized Assessed Value		\$ 485,584,510		515,665,926	

Notes:

¹ 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 2017 relied on the property collections in the summer of 2016, which are from the 2015 tax levy year, as well as the distribution provided in the spring of 2017 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			
2017	\$ 242,820	335,000	14,265,398		14,843,218	2.0%	\$ 1,329
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

Notes:

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

*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	2016	2015	2014	2013
Population ⁽¹⁾	11,172	11,172	11,172	11,172
Equalized Assessed Value - EAV ⁽²⁾	\$ 485,584,510	470,348,398	488,390,939	493,186,293
General Obligation Debt				
Gross General Obligation Bonded Debt	577,820	977,300	955,000	1,305,000
Less: Debt Payable from TIF Revenues				
Less: Fund Balance Available in Debt Service Fund	185,655	172,810	149,078	149,491
Net General Obligation Bonded Debt ⁽³⁾	392,165	804,490	805,922	1,155,509
Ratio of Net General Obligation Bonded Debt to Assessed Value	0.081%	0.171%	0.165%	0.234%
Ratio of Net General Obligation Bonded Debt Per Capita	35.1	72.0	72.1	103.4

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

2012	2011	2010	2009	2008	2007
11,172	11,172	11,172	11,635	11,635	11,635
529,450,956	573,104,464	704,269,535	641,332,879	596,926,880	515,665,926
1,645,000	1,975,000	2,295,000	2,610,000	5,750,000	7,935,000
				2,965	7,370
135,993	116,417	57,289	338,894	548,336	68,360
1,509,007	1,858,583	2,237,711	2,271,106	5,204,629	7,874,010
0.285%	0.324%	0.318%	0.354%	0.872%	1.527%
135.1	166.4	200.3	195.2	447.3	676.8

VILLAGE OF RIVER FOREST, ILLINOIS

Computation of Direct and Overlapping Bonded Debt

For the Fiscal Year Ended April 30, 2017

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Village (1)	Amount Applicable to Village
Direct Debt			
Village of River Forest	\$ 242,820	100.00%	242,820
Overlapping Debt			
Schools:			
School District Number 90	8,175,000	100.00%	8,175,000
High School District Number 200	985,000	26.06%	256,691
Total Schools	<u>9,160,000</u>		<u>8,431,691</u>
Others:			
Cook County	3,213,141,750	0.35%	11,245,996
Cook County Forest Preserve District	159,490,000	0.35%	558,215
Metropolitan Water Reclamation District	2,740,113,181	0.36%	9,864,407
River Forest Park District	200,550	100.00%	200,550
Total Others	<u>6,112,945,481</u>		<u>21,869,169</u>
Total Schools and Others Overlapping Bonded Debt	<u>6,122,105,481</u>		<u>30,300,860</u>
Total	<u>\$ 6,122,348,301</u>		<u>30,543,680</u>

Note:

(1) Percentages are based on the percent of the property's 2016 equalized assessed value as compared to the Village total.

Data Source

Cook County Clerk - <http://cookcountyl.gov>
General Obligation Debt Outstanding as of 4/30/2017

VILLAGE OF RIVER FOREST, ILLINOIS

Legal Debt Margin

For the Fiscal Year Ended April 30, 2017

Assessed Valuation - Tax Levy Year 2016	<u>\$ 485,584,510</u>
Legal Debt Limit - 8.625% of Assessed Valuation	\$ 41,881,664
Amount of Debt Applicable to Debt Limit	<u>242,820</u>
Legal Debt Margin	<u>\$ 41,638,844</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

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)
2017	11,172	\$ 749,138,460	67,055	3.5%	4.4%
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%

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	The Village		Cook County		State of Illinois	
	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	1,156	29.6%	89,204	7.5%	207,841	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	The Village		Cook County		State of Illinois	
	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	Fiscal Year 2017			Fiscal Year 2008		
		Rank	Approximate Employment	Percent of Total Village Population	Rank	Approximate Employment	Percent of Total Village Population
Concordia University	Education	1	1,700	15.22%	1	778	6.69%
Dominican University	Education	2	1,245	11.14%	2	540	4.64%
Jewel/Osco Grocery Store	Grocery Store	3	325	2.91%	3	430	3.70%
Elementary School Dist 90	Education	4	195	1.75%	4	200	1.72%
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	93	0.80%
Fresh Thyme	Grocery Store	8	75	0.67%			
Cook County Forest Preserve	Government	9	75	0.67%	8	70	0.60%
Panera Bread	Restaurant	10	50	0.45%			
Dominick's Finer Foods	Grocery Store				9	50	0.43%
River Forest Community Center	Community Ctr				10	27	0.23%
			<u>4,018</u>	<u>35.96%</u>		<u>2,478</u>	<u>21.30%</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.
 Number of employees as of April 30, 2017.

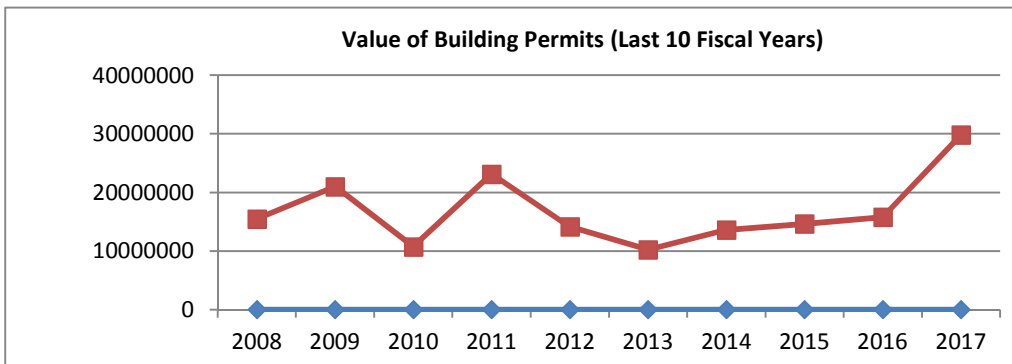
Data Source

Village Records, Employer Inquiries

VILLAGE OF RIVER FOREST, ILLINOIS

Construction Value of Building Permits and Property Value
 Last Ten Fiscal Years
 April 30, 2017

Fiscal Year	Number of Permits issued	Value of Building Permits
2017	210	\$ 29,807,464
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



Data Source

Village Records

OPERATING INFORMATION

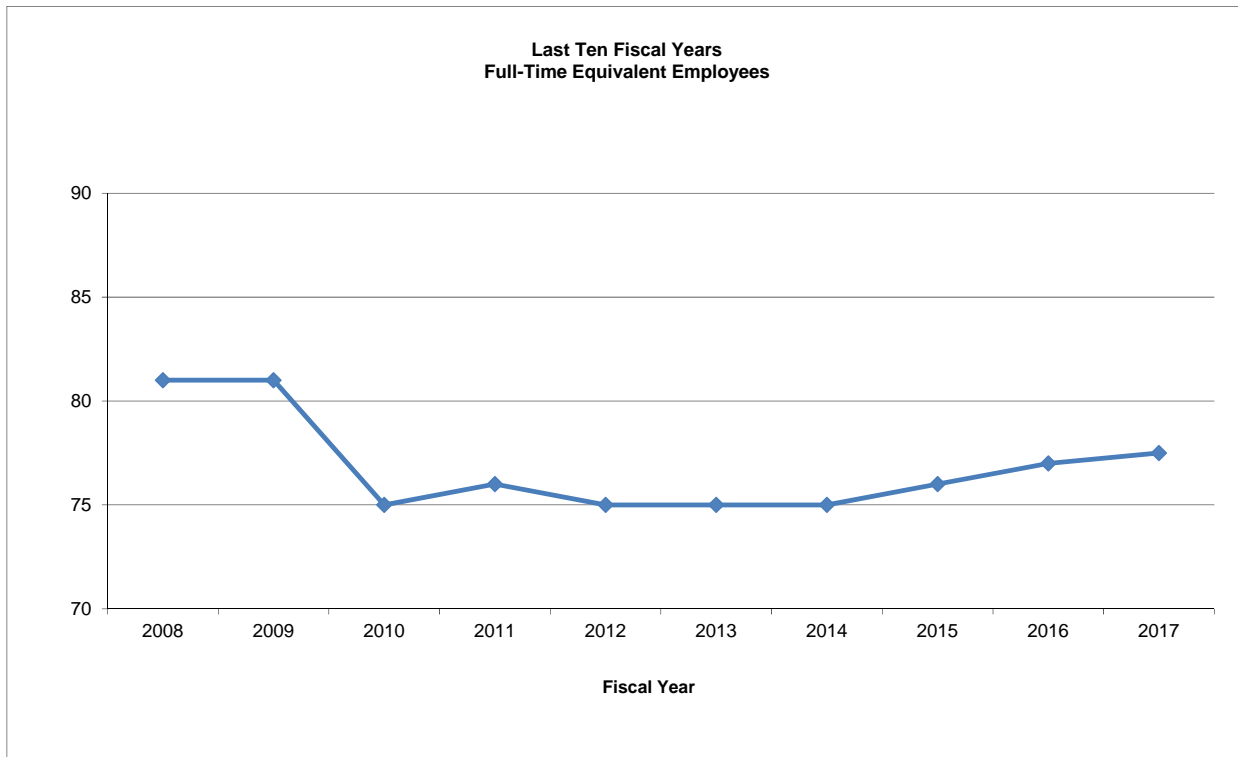
VILLAGE OF RIVER FOREST, ILLINOIS

Full-Time Equivalent Employees

Last Ten Fiscal Years

Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Government										
Administration	2.5	2.5	2.5	2.5	2.5	2.5	3.0	2.0	3.0	3.0
Finance	3.8	3.5	3.5	3.5	3.5	3.0	3.0	3.0	3.0	3.0
Building and Development	3.8	3.5	3.0	3.0	3.0	3.5	0.0	0.0	0.0	0.0
Total General Government	10.0	9.5	9.0	9.0	9.0	9.0	6.0	5.0	6.0	6.0
Public Safety										
Police										
Sworn	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	31.0	31.0
Non-Sworn	3.0	3.0	3.0	2.0	2.0	2.0	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
Total Public Safety	53.0	53.0	53.0	52.0	52.0	52.0	53.0	53.0	56.0	56.0
Highway and Streets										
Public Works	14.5	14.5	14.0	14.0	14.0	14.0	17.0	17.0	19.0	19.0
Total Village	77.5	77.0	76.0	75.0	75.0	75.0	76.0	75.0	81.0	81.0

In Fiscal Year 2012 the Building and Development Division 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	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
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	18	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	3	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) ¹	3.37	3.37	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19

Note:

¹ 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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Public Safety										
Police										
Total arrests	710	760	688	812	794	844	839	638	694	587
Calls for Service	26,317	N/A	9,747	9,762	9,906	11,025	11,297	12,917	13,645	10,146
Traffic Tickets	2,533	2,962	3,411	3,557	3,162	3,284	3,897	2,864	2,948	2,495
Traffic Accidents	541	588	573	514	494	456				
Fire										
Ambulance Calls	1,192	1,302	1,106	1,069	1,005	888	868	868	832	858
Fire/Other Calls	807	824	871	862	856	946	988	932	992	973
Public Works										
Streets										
Street Reconstruction (in ft.)							669	2,520	3,082	1,240
Street Resurfacing (in ft.)	2,678	6,460	3,030	3,300	13,998	11,417	5,893	7,209	4,909	2,540
Leaves Collected (tons)	1,631	1,801	1,380	1,903	1,677	1,676	1,637	1,947	1,751	1,595
Full Salting Operations (tons)	11	625	314	950	804	436	1,000	932	1,047	1,197
Trees Trimmed	1,965	406	763	700	750	1,341	1,745			
Water/Sewer										
Water Main Repairs	4	5	14	15	7	8	12	9	1	7
Average Daily Pumpage (mgd)	1.21	1.13	1.27	1.39	1.45	2	2	2	2	2
Sewer Mains Cleaned (in ft.)	33,543	32,034	21,049	25,914	11,088	40,945	30,149	13,518	91,990	31,688

New CAD system reports all events, rather than only events resulting in police reports.

Data Source

Village Records

VILLAGE OF RIVER FOREST, ILLINOIS

Water Fund Statistics

For the Fiscal Year Ended April 30, 2017

Water Fund statistics are as follows:

Number of Metered Customers	3,148
Cubic Feet of Water Pumped Into System (in hundreds)	595,487
Cubic Feet of Water Billed (in hundreds)	490,337

Data Source

Village Records

VILLAGE OF RIVER FOREST, ILLINOIS

Surety Bonds of Principal Officials

April 30, 2017

<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