

VILLAGE OF BRADLEY, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2020

VILLAGE OF BRADLEY, ILLINOIS

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INTRODUCTORY SECTION

VILLAGE OF BRADLEY, ILLINOIS

List of Principal Officials April 30, 2020

LEGISLATIVE

Mayor Pro Tem: Mike Watson

Village Clerk: Julie Tambling

BOARD OF TRUSTEES

Ryan LeBran

Brian Billingsley

Darren Westphal

Brian Tieri

Bob Redmond

Mike Watson

ADMINISTRATIVE

Village Administrator

Catherine Wojnarowski

Community Development Director

Bruce Page

Director of Public Works

Terry Memenga

Chief of Police

Don Barber

Fire Chief

Don Kaderabek

Finance Director

Robert Romo

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Village's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

October 30, 2020

The Honorable Village Mayor
Members of the Board of Trustees
Village of Bradley, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Bradley, Illinois, as of and for the year ended April 30, 2020, 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 of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Bradley, Illinois, as of April 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Bradley, Illinois' basic financial statements. The introductory section, other supplementary information, and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory section has 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 it.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS
APRIL 30, 2020**

As management of the Village of Bradley (“Village”), we offer readers of the Village’s financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2020. Since the Management’s Discussion and Analysis (“MD&A”) is designed to focus on the current year’s activities, resulting changes and currently known facts, it should be read in conjunction with the Village’s financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the Village of Bradley were lower than its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$21,620,704 (net position). This is a decrease of \$1,288,844 from Fiscal Year 2019’s (FY19’s) net position. This decrease is mainly caused by an increase in the total OPEB liability and police and fire net pension liabilities.
- The Village of Bradley’s business-type activities saw an increase in net position of \$514,508. This increase was due to the current rate structure being adequate to fund the current operations of the sewer system. Sewer charges for services totaled \$2,056,721 while expenses totaled \$2,409,295. The Sewer Fund also received \$921,506 in Capital Maintenance & Replacement Fees.
- As of the close of the current fiscal year, the Village of Bradley’s General Fund reported a fund balance of \$8,990,454 an increase of \$413,862 from prior year fund balance. Revenue exceeded the cost of operations for the General Funds, thus having its best fiscal year in quite some time. Revenue came in at \$13,482,639 during the fiscal year or 2.18% higher than the prior fiscal year. Prior to Covid-19 the Village was on pace to post its largest intake of sales & income tax which are two of its largest revenue sources. If March & April numbers were similar to the prior year the General Fund would have had a surplus of over \$1 million for the year. Expenditures increased 1.56% during the same time period. The bulk of the increase was attributable to the Police Department and consisted of paid out earned time off for retired employees and the purchase of new radios.
- The Village of Bradley's governmental activity debt increased by \$632,253 during the current fiscal year and business-type debt decreased by \$420,605. The increase in governmental activity debt was the increase in Police and Fire Net Pension Liability as well as the issuance of a promissory note. The decrease in business-type debt was the result of regularly scheduled principal payment.
- The State Rte. 50 TIF ended the fiscal year with a fund balance of \$743,947. This is a decrease of \$28,029 from the previous year. At fiscal year end, the State Rte. 50 TIF recognized a liability due to other taxing bodies of \$766,302.

VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2020

Overview of the Financial Statements

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

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 deferred outflows of resources, as well as its liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether 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 only result in cash flows in future fiscal periods.

The governmental activities reflect the Village's basic services, including Administration, Community Development, Public Works and Public Safety. Sales taxes, shared state taxes and property taxes finance the majority of these services. The business-type activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operations, including depreciation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains ten 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 Fund and the State Rte. 50 TIF Fund, all of which are considered to be major funds. Information from the Village's other eight governmental funds is combined into a single column presentation. Individual fund information for these non-major governmental funds is provided elsewhere in the report.

VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2020

The Village maintains one type of proprietary fund; this is called an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses an enterprise fund to account for its sanitary sewer operations. The proprietary fund financial statements provide separate information for the Sewer Fund, which is considered to be a major fund of the Village.

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

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements, this report also includes certain required supplementary information related to budgetary information and the Village's progress in funding its obligation to provide pension and post retirement benefits to its employees. Non-major fund information can be found immediately following the required supplementary information.

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2020**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2020	2019	2020	2019	2020
Assets:						
Current and Other	\$ 14,323,254	\$ 14,358,084	\$ 726,901	\$ 952,598	\$ 15,050,155	\$ 15,310,682
Capital	20,785,654	21,255,799	5,260,462	5,339,492	26,046,116	26,595,291
Total Assets	35,108,908	35,613,883	5,987,363	6,292,090	41,096,271	41,905,973
Deferred Outflows:						
Pensions	6,626,700	8,441,744	210,304	208,344	6,837,004	8,650,088
Liabilities:						
Current Liabilities	6,780,338	6,661,838	378,243	388,419	7,158,581	7,050,257
Long-term Liabilities	50,998,399	51,534,964	4,955,740	4,520,111	55,954,139	56,055,075
Total Liabilities	57,778,737	58,196,802	5,333,983	4,908,530	63,112,720	63,105,332
Deferred Inflows:						
Unavailable Real Estate						
Taxes	2,220,087	2,222,351	-	-	2,220,087	2,222,351
Pensions	2,898,124	6,601,166	34,204	247,916	2,932,328	6,849,082
Total Deferred Inflows	5,118,211	8,823,517	34,204	247,916	5,152,415	9,071,433
Net Position:						
Net Investment in Capital						
Assets	7,059,481	6,580,766	1,337,102	1,690,162	8,396,583	8,270,928
Restricted for						
Economic Development	43,721	26,276	-	-	43,721	26,276
Street Maintenance	547,532	579,165	-	-	547,532	579,165
Capital Projects	431,866	374,154	-	-	431,866	374,154
Infrastructure/Develop	15,919	15,870	-	-	15,919	15,870
Audit	6,442	-	-	-	6,442	-
Post-Employment Benefits	1,893,502	1,425,186	-	-	1,893,502	1,425,186
Public Safety	79,219	85,359	-	-	79,219	85,359
Unrestricted	(31,239,022)	(32,051,468)	(507,622)	(346,174)	(31,746,644)	(32,397,642)
Total Net Position	\$ (21,161,340)	\$ (22,964,692)	\$ 829,480	\$ 1,343,988	\$ (20,331,860)	\$ (21,620,704)

The majority of the Village of Bradley's net position reflects its investment in capital assets (e.g. land, buildings, machinery & equipment and infrastructure), less any related outstanding debt used to acquire or construct those assets and accumulated depreciation which is the loss in value of those assets. The Village of Bradley uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2020**

Statement of Activities

The following table reflects the condensed Statement of Activities:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2020	2019	2020	2019	2020
REVENUES						
Program Revenues:						
Charges for Services	\$ 1,428,315	\$ 1,745,952	\$ 2,174,967	\$ 2,136,940	\$ 3,603,282	\$ 3,882,892
Operating Grants/ Contributions	460,584	640,358			460,584	640,358
General Revenues:						
Property Taxes	3,326,169	3,472,365	409,660	-	3,735,829	3,472,365
Other Taxes	9,730,287	9,663,205			9,730,287	9,663,205
Other General Revenue	141,157	99,023	812,163	921,511	953,320	1,020,534
Total Revenues	<u>15,086,512</u>	<u>15,620,903</u>	<u>3,396,790</u>	<u>3,058,451</u>	<u>18,483,302</u>	<u>18,679,354</u>
EXPENSES						
General Government	8,036,171	6,027,825			8,036,171	6,027,825
Public Safety	6,503,332	7,418,214			6,503,332	7,418,214
Public Works	1,887,591	1,859,624			1,887,591	1,859,624
Building Standards	515,196	513,079			515,196	513,079
Community						
Development	281,726	227,734			281,726	227,734
Information Technology	180,721	101,741			180,721	101,741
Interest on Debt	464,752	807,723			464,752	807,723
Employee Benefits	666,016	468,315			666,016	468,315
Sewer	-	-	2,370,052	2,543,943	2,370,052	2,543,943
Total Expenses	<u>18,535,505</u>	<u>17,424,255</u>	<u>2,370,052</u>	<u>2,543,943</u>	<u>20,905,557</u>	<u>19,968,198</u>
Changes in Net Position	<u>(3,448,993)</u>	<u>(1,803,352)</u>	<u>1,026,738</u>	<u>514,508</u>	<u>\$ (2,422,255)</u>	<u>(1,288,844)</u>

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2020**

Key Factors in the Change in Net Position in the Governmental Activities:

Governmental activities net position decreased in FY20 by \$1,803,352. This was due to the large year to year increase in expenses from pension and OPEB liabilities. Total governmental activity expenses decreased by \$1,111,250 from prior year mostly due to the repayment of Revolving Loan Funds to the State of Illinois that occurred in FY '19.

Key Factors in the Change in Net Position in Business-Type Activities:

The total change in net position for the business-type activities is \$514,508. In FY19 the Village implemented a large sewer rate increase as well as a capital maintenance and replacement fee. This much needed increase in revenue will ensure that the sewer fund can cover not only maintenance in the years to come, but provide resources for capital outlay. The Village is currently in the process of a aggressive rehabilitation of the sewer system

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

The General Fund is the main operating fund of the Village of Bradley. At the end of the fiscal year, the unassigned fund balance of the General Fund was \$7,378,185 while the total fund balance increased to \$8,990,454. This was an increase of \$413,862 from FY19.

The State Rte. 50 TIF Fund accounts for the Tax Increment Financing (TIF) District established along the Route 50 corridor to provide improvements to spur economic growth. In total, revenues for the fiscal year were \$1,229,572 and expenditures totaled \$1,257,601. This activity resulted in a year-end fund balance of \$743,947, a decrease of (\$28,029) from the prior year.

The non-major governmental funds saw an overall decrease in fund balance of (\$46,223). Financial highlights in the various funds that comprise the non-major governmental funds are as follows:

- The Motor Fuel Tax Fund continued its annual road overlay program, spending \$569,041. The Motor Fuel Tax fund finished FY20 with a fund balance of \$579,165.
- The Foreign Fire Insurance Tax Fund, which accounts for revenues received from insurance companies headquartered outside of Illinois but collecting premiums on property in Illinois, saw its fund balance decrease \$4,807 to ending balance of \$51,271.
- The Police Seizure Fund, which accounts for special contributions for the Police Department's K-9 unit and drug seizure monies that must be spent on specific purposes, ended the fiscal year with a fund balance of \$31,938.
- The L. Power Rd. TIF Fund finished the year with a fund balance of \$26,276, an increase of \$2,211 from the year before. Currently the Village is exploring improvements projects for this TIF.
- The Scrap Metal Fund took in no revenue during the year. This fund accounts for recycled metal scraps collected by the Building Standards and Public Works departments. Due to low activity the Fund was collapsed into the General Fund at the end of FY20.
- The Hotel Tax Fund was established to promote overnight tourism in the Village of Bradley through a 5% tax on overnight stays. Currently the Village is in litigation with Kankakee County regarding who has the right to the taxation. All tax generated in fiscal year '20 is currently being held in escrow until the court decides the outcome. The Village is confident the court will rule in its favor and has already begun to spend the funds. In its first year of existence the Hotel Tax Fund has a negative fund balance of (\$8,869).

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS
APRIL 30, 2020**

- Debt Service Fund’s fund balance was \$2,730 at the end of FY20, unchanged from the prior fiscal year as there is no outstanding G.O. debt for the Village.
- The Capital Projects Fund accounts for the street & alley improvements, vehicles with a useful life greater than 5 years, large equipment purchases, park improvements, etc. Each year, the Village addresses areas that need significant improvements within this fund. The main revenue source for the Capital Projects Fund is video gaming taxes and transfers from the General Fund. In FY 20, the Capital Projects Fund balance decreased (\$57,712), with an ending fund balance of \$374,154.

Proprietary Funds

The Sewer Fund ended the fiscal year with \$1,343,988 in net position, up from a prior year balance of \$829,480. The Sewer Fund's charges for services increased to \$2,056,721 due to a much needed rate increase. Operating expenses decreased by \$181,566 as compared to the prior fiscal year, and the change in net position for the current year increased by \$514,508.

GENERAL FUND BUDGETARY HIGHLIGHTS

The following table reflects the condensed Budgetary Comparison Schedule:

	Original Budget	Final Budget	Actual
Revenues:			
Taxes	\$11,576,013	\$11,458,340	\$ 11,636,792
Intergovernmental	19,201	36,179	48,983
Licenses and Permits	273,451	296,799	298,516
Fines	426,250	549,719	595,446
Charges for Services	376,400	423,927	431,997
Investment Income	60,000	73,230	74,257
Miscellaneous Revenues	322,050	361,356	396,648
Total Revenues	13,053,365	13,199,550	13,482,639
Expenditures:			
General Government	4,983,464	4,568,920	4,664,153
Public Safety	6,078,408	6,051,718	6,244,613
Public Works	1,327,309	1,274,257	1,260,392
Community Development	479,989	512,401	513,079
Economic Incentive	35,000	35,000	35,000
Information Technology	250,539	125,536	101,741
Retiree Benefits	569,065	472,326	468,315
Debt Service	-	-	105,420
Total Expenditures	13,723,774	13,040,158	13,392,713

The General Fund revenues were \$283,089 or 2.14% over budget in FY20. The main driver of revenues being over budget was larger than expected payments from the State of Illinois for Sales Tax. The final/amended budget was approved in April and these revenues aren’t allocated to the Village until months after the year ends. This year was especially hard to budget due to the Covid-19 pandemic hitting in March of 2020.

The General Fund expenditures were \$352,555 over budget in FY20. The two main drivers were unexpected expenditures related to Covid-19 as well as paid earned time off towards the end of April for police dispatchers that were consolidated into the regional dispatch center “KannComm”.

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2020**

CAPITAL ASSET AND DEBT ADMINISTRATION

Governmental Activities Change in Capital Assets			
	Balance May 1 2019	Net Additions/ Deletions	Balance April 30, 2020
Non-Depreciable Assets			
Land	\$6,649,488	\$6,768	\$6,656,256
Construction In Process	114,495	33,711	148,206
Other Capital Assets			
Buildings	7,504,959	1,101,822	8,606,781
Equipment	8,390,751	401,445	8,792,196
Infrastructure	15,423,816	-	15,423,816
Accumulated Depreciation on Capital Assets	<u>(17,297,855)</u>	<u>(1,073,601)</u>	<u>(18,371,456)</u>
Total	<u>\$20,785,654</u>	<u>\$470,145</u>	<u>\$21,255,799</u>

The Village of Bradley's investment in capital assets for its governmental activities as of April 30, 2020, was \$21,255,799 (net of accumulated depreciation). This investment in capital assets includes property and improvements, equipment, facilities and infrastructure. In FY 20, the Village of Bradley's capital assets, net of accumulated depreciation, increased by \$470,145. With the improving financial condition of the Village, capital spending increased in FY20. There were \$1,543,746 in additions, no deletions and depreciation of \$1,073,601. Significant capital asset additions included the purchase of the former Carson's building located at the Northfield Mall to be used for a future event space, a power cot for the fire department, and a bucket truck & steel drum roller to be used in the Public Works Department as to in source work regarding tree trimming & road repairs.

**Business-Type Activities
Change in Capital Assets**

	Balance May 1, 2019	Net Additions/ Deletions	Balance April 30, 2020
Non-Depreciable Assets:			
Construction in Progress	\$ 185,506	\$ 350,280	\$ 535,786
Other Capital Assets:			
Property, Plant and Equipment	12,969,835	51,742	13,021,577
Accumulated Depreciation on Capital Assets	<u>(7,894,879)</u>	<u>(322,992)</u>	<u>(8,217,871)</u>
Total	<u>\$ 5,260,462</u>	<u>\$ 79,030</u>	<u>\$ 5,339,492</u>

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2020**

The Village of Bradley's investment in capital assets for its business-type activities as of April 30, 2020, was \$5,339,492 (net of accumulated depreciation). This investment in capital assets includes property, plant and equipment which included vehicles and infrastructure (e.g. sanitary sewer lines). Additions include the purchase of a mini excavator and there were no deletions.

Additional information on the Village of Bradley's capital assets can be found in Note 3.

Debt Administration

In late fiscal year 2020 the Village received a call from its credit rating from Standard and Poor's (S&P). S&P informed the Village that they were looking to downgrade the Village of Bradley due to years of declining receipts within the General Fund, low pension contributions as well as being too sales tax reliant in the era of Covid. Shortly after the Village had arranged a rating call with S&P. During this call the Village was able to demonstrate all the steps it had taken to turn the financial situation around. S&P was impressed with all the progress the Village had made and decided to not go forward with downgrade. On May 19, 2020 S&P affirmed the Village's bond rating at AA-. This rating is a strong indication of the sound debt management practices of the Village. Debt levels are kept to absolute minimums as the Village maintains a very conservative approach to debt, budgeting and the treatment of public funds.

State statutes limit the amount of general obligation debt a government entity may issue to 8.625% of its total assessed valuation. The current legal debt margin for the Village of Bradley is \$25,449,490. Currently, the Village has no outstanding general obligation debt that is applicable to the debt limit. However, the Sewer 2015A Sewer Refunding Bonds - issued to pay off the higher interest 2006 Bonds at a lower interest rate - are considered general obligations of the Village even though the primary source pledged to pay that debt is Sewer Fund revenues.

Additional information on the Village of Bradley's long-term liabilities can be found in Note 3.

ECONOMIC FACTORS

The Village of Bradley is located approximately 50 miles south of downtown Chicago. Based upon the 2019 tax levy report the Village's EAV, 100% is located in Kankakee County.

According to the 2010 American Community Survey conducted by the U.S. Census Bureau, the Village of Bradley had a median family income of \$49,222. This compares to Kankakee County's \$50,484 and \$55,735 for the State of Illinois. According to the 2010 American Community Survey conducted by the U.S. Census Bureau, the Village of Bradley's median value of owner-occupied home was \$141,200. This compares to Kankakee County's median value of \$148,400 and that of the State of Illinois at \$202,500.

As part of the budget process each year, the Village of Bradley analyzes the fees it charges to its residents, developers and contractors doing business in the Village. This is accomplished by surveying surrounding towns as well as other municipalities that have similar demographics compared to Bradley.

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. Questions concerning this report or requests for additional financial information should be directed to the Finance Director, Village of Bradley, 147 S. Michigan Ave., Bradley, Illinois 60915.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Fund

Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF BRADLEY, ILLINOIS

**Statement of Net Position
April 30, 2020**

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 9,898,900	368,777	10,267,677
Receivables - Net of Allowances	4,290,121	400,241	4,690,362
Prepays	169,063	-	169,063
Total Current Assets	<u>14,358,084</u>	<u>769,018</u>	<u>15,127,102</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	6,804,462	535,786	7,340,248
Depreciable	32,822,793	13,021,577	45,844,370
Accumulated Depreciation	(18,371,456)	(8,217,871)	(26,589,327)
Total Capital Assets	<u>21,255,799</u>	<u>5,339,492</u>	<u>26,595,291</u>
Other Noncurrent Assets			
Due from Joint Venture	-	183,580	183,580
Total Noncurrent Assets	<u>21,255,799</u>	<u>5,523,072</u>	<u>26,778,871</u>
Total Assets	<u>35,613,883</u>	<u>6,292,090</u>	<u>41,905,973</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	392,854	63,525	456,379
Deferred Items - Police Pension	3,792,711	-	3,792,711
Deferred Items - Firefighters' Pension	1,016,749	-	1,016,749
Deferred Items - RBP	3,239,430	144,819	3,384,249
Total Deferred Outflows of Resources	<u>8,441,744</u>	<u>208,344</u>	<u>8,650,088</u>
Total Assets and Deferred Outflows of Resources	<u>44,055,627</u>	<u>6,500,434</u>	<u>50,556,061</u>

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 1,037,590	35,755	1,073,345
Accrued Payroll	300,038	7,818	307,856
Deposits Payable	7,039	-	7,039
Accrued Interest Payable	4,576,664	54,206	4,630,870
Current Portion of Long-Term Liabilities	740,507	290,640	1,031,147
Total Current Liabilities	<u>6,661,838</u>	<u>388,419</u>	<u>7,050,257</u>
Noncurrent Liabilities			
Compensated Absences Payable	1,052,088	82,560	1,134,648
Net Pension Liability - IMRF	1,086,832	175,742	1,262,574
Net Pension Liability - Police Pension	13,956,582	-	13,956,582
Net Pension Liability - Firefighters' Pension	1,501,894	-	1,501,894
Total OPEB Liability - RBP	19,740,020	882,479	20,622,499
General Obligation Bonds Payable - Net	-	3,379,330	3,379,330
Tax Increment Revenue Bonds Payable - Net	2,800,000	-	2,800,000
Tax Increment Revenue Notes Payable	10,196,173	-	10,196,173
Installment Contract Payable	101,375	-	101,375
Promissory Note Payable	1,100,000	-	1,100,000
Total Noncurrent Liabilities	<u>51,534,964</u>	<u>4,520,111</u>	<u>56,055,075</u>
Total Liabilities	<u>58,196,802</u>	<u>4,908,530</u>	<u>63,105,332</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	2,222,351	-	2,222,351
Deferred Items - IMRF	648,306	104,832	753,138
Deferred Items - Police Pension	2,225,609	-	2,225,609
Deferred Items - Firefighters' Pension	526,634	-	526,634
Deferred Items - RBP	3,200,617	143,084	3,343,701
Total Deferred Inflows of Resources	<u>8,823,517</u>	<u>247,916</u>	<u>9,071,433</u>
Total Liabilities and Deferred Inflows of Resources	<u>67,020,319</u>	<u>5,156,446</u>	<u>72,176,765</u>
NET POSITION			
Net Investment in Capital Assets	6,580,766	1,690,162	8,270,928
Restricted - Economic Development	26,276	-	26,276
Restricted - Street Maintenance	579,165	-	579,165
Restricted - Capital Projects	374,154	-	374,154
Restricted - Post-Employment Benefits	1,425,186	-	1,425,186
Restricted - Infrastructure/Development	15,870	-	15,870
Restricted - Public Safety	85,359	-	85,359
Unrestricted (Deficit)	<u>(32,051,468)</u>	<u>(346,174)</u>	<u>(32,397,642)</u>
Total Net Position	<u>(22,964,692)</u>	<u>1,343,988</u>	<u>(21,620,704)</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BRADLEY, ILLINOIS

**Statement of Activities
For the Fiscal Year Ended April 30, 2020**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 6,027,825	436,852	21,579	-
Public Safety	7,418,214	1,071,624	27,404	-
Public Works	1,859,624	34,594	591,375	-
Building Standards	513,079	202,882	-	-
Economic Development/Incentive	227,734	-	-	-
Information Technology	101,741	-	-	-
Employee Benefits	468,315	-	-	-
Interest on Long-Term Debt	807,723	-	-	-
Total Governmental Activities	17,424,255	1,745,952	640,358	-
Business-Type Activities				
Sewer	2,543,943	2,136,940	-	-
Total Primary Government	19,968,198	3,882,892	640,358	-

General Revenues
 Taxes
 Property Taxes
 Intergovernmental - Unrestricted
 Sales and Use Taxes
 Income Taxes
 Other Taxes
 Interest Income
 Miscellaneous

Change in Net Position

Net Position - Beginning

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expenses)/Revenues		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
(5,569,394)	-	(5,569,394)
(6,319,186)	-	(6,319,186)
(1,233,655)	-	(1,233,655)
(310,197)	-	(310,197)
(227,734)	-	(227,734)
(101,741)	-	(101,741)
(468,315)	-	(468,315)
(807,723)	-	(807,723)
(15,037,945)	-	(15,037,945)
-	(407,003)	(407,003)
(15,037,945)	(407,003)	(15,444,948)
3,472,365	-	3,472,365
7,540,834	-	7,540,834
1,563,829	-	1,563,829
558,542	-	558,542
94,558	5	94,563
4,465	921,506	925,971
13,234,593	921,511	14,156,104
(1,803,352)	514,508	(1,288,844)
(21,161,340)	829,480	(20,331,860)
(22,964,692)	1,343,988	(21,620,704)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BRADLEY, ILLINOIS

**Balance Sheet - Governmental Funds
April 30, 2020**

	General	Special Revenue State Rte. 50 TIF	Nonmajor	Totals
ASSETS				
Cash and Cash Equivalents	\$ 7,138,681	1,516,235	1,243,984	9,898,900
Receivables - Net of Allowances				
Property Taxes	2,222,351	-	-	2,222,351
Other Taxes	2,050,201	-	47,442	2,097,643
Due from Other Funds	219,692	-	-	219,692
Prepays	169,063	-	-	169,063
Total Assets	<u>11,799,988</u>	<u>1,516,235</u>	<u>1,291,426</u>	<u>14,607,649</u>
LIABILITIES				
Accounts Payable	250,233	766,302	21,055	1,037,590
Accrued Payroll	300,038	-	-	300,038
Deposits Payable	7,039	-	-	7,039
Due to Other Funds	29,873	5,986	213,706	249,565
Total Liabilities	<u>587,183</u>	<u>772,288</u>	<u>234,761</u>	<u>1,594,232</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	2,222,351	-	-	2,222,351
Total Liabilities and Deferred Inflows of Resources	<u>2,809,534</u>	<u>772,288</u>	<u>234,761</u>	<u>3,816,583</u>
FUND BALANCES				
Nonspendable	169,063	-	-	169,063
Restricted	1,443,206	-	1,065,534	2,508,740
Committed	-	743,947	-	743,947
Unassigned	7,378,185	-	(8,869)	7,369,316
Total Fund Balances	<u>8,990,454</u>	<u>743,947</u>	<u>1,056,665</u>	<u>10,791,066</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>11,799,988</u>	<u>1,516,235</u>	<u>1,291,426</u>	<u>14,607,649</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BRADLEY, ILLINOIS

Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities
April 30, 2020

Total Governmental Fund Balances	\$ 10,791,066
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.	21,255,799
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	(255,452)
Deferred Items - Police Pension	1,567,102
Deferred Items - Firefighters' Pension	490,115
Deferred Items - RBP	38,813
Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of:	
Compensated Absences Payable	(1,315,110)
Net Pension Liability - IMRF	(1,086,832)
Net Pension Liability - Police Pension	(13,956,582)
Net Pension Liability - Firefighters' Pension	(1,501,894)
Total OPEB Liability - RBP	(19,740,020)
Tax Increment Revenue Bonds Payable - Net	(3,180,000)
Tax Increment Revenue Notes Payable	(10,196,173)
Installment Contract Payable	(198,860)
Promissory Note Payable	(1,100,000)
Accrued Interest Payable	(4,576,664)
Net Position of Governmental Activities	<u><u>(22,964,692)</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BRADLEY, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2020**

	General	Special Revenue		Totals
		State Rte. 50 TIF	Nonmajor	
Revenues				
Taxes	\$ 11,636,792	1,219,023	279,755	13,135,570
Intergovernmental	48,983	-	591,375	640,358
Licenses and Permits	298,516	-	-	298,516
Charges for Services	595,446	-	-	595,446
Fines and Forfeitures	431,997	-	23,345	455,342
Interest	74,257	10,549	9,752	94,558
Miscellaneous	396,648	-	4,465	401,113
Total Revenues	13,482,639	1,229,572	908,692	15,620,903
Expenditures				
Current				
General Government	4,664,153	-	8,869	4,673,022
Public Safety	6,244,613	-	38,918	6,283,531
Public Works	1,260,392	-	569,041	1,829,433
Building Standards	513,079	-	-	513,079
Economic Development/Incentive	35,000	192,734	-	227,734
Information Technology	101,741	-	-	101,741
Employee Benefits	468,315	-	-	468,315
Capital Outlay	-	-	1,418,431	1,418,431
Debt Service				
Principal Retirement	105,420	350,000	-	455,420
Interest and Fiscal Charges	-	714,867	-	714,867
Total Expenditures	13,392,713	1,257,601	2,035,259	16,685,573
Excess (Deficiency) of Revenues Over Expenditures	89,926	(28,029)	(1,126,567)	(1,064,670)
Other Financing Sources (Uses)				
Debt Issuance	304,280	-	1,100,000	1,404,280
Transfers In	19,656	-	-	19,656
Transfers Out	-	-	(19,656)	(19,656)
	323,936	-	1,080,344	1,404,280
Net Change in Fund Balances	413,862	(28,029)	(46,223)	339,610
Fund Balances - Beginning	8,576,592	771,976	1,102,888	10,451,456
Fund Balances - Ending	8,990,454	743,947	1,056,665	10,791,066

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BRADLEY, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Fiscal Year Ended April 30, 2020**

Net Change in Fund Balances - Total Governmental Funds \$ 339,610

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 is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	1,543,746
Depreciation Expense	(1,073,601)

The net effect of deferred outflows (inflows) of resources related
to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(1,313,104)
Change in Deferred Items - Police Pension	(135,829)
Change in Deferred Items - Firefighters' Pension	(40,143)
Change in Deferred Items - RBP	(398,922)

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Change in Compensation Absences Payable	158,983
Change in Net Pension Liability - IMRF	1,230,750
Change in Net Pension Liability - Police Pension	(950,617)
Change in Net Pension Liability - Firefighters' Pension	(111,378)
Change in Total OPEB Liability - RBP	(11,131)
Issuance of Long-Term Debt	(1,404,280)
Retirement of Long-Term Debt	455,420

Changes to accrued interest on long-term debt in the Statement of Activities
does not require the use of current financial resources and, therefore, are not
reported as expenditures in the governmental funds.

(92,856)

Changes in Net Position of Governmental Activities

(1,803,352)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BRADLEY, ILLINOIS

**Statement of Net Position - Proprietary Fund
April 30, 2020**

	<u>Business-Type Activities Sewer</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 368,777
Receivables - Net of Allowances	
Accounts	<u>400,241</u>
Total Current Assets	<u>769,018</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	535,786
Depreciable	13,021,577
Accumulated Depreciation	<u>(8,217,871)</u>
Total Capital Assets	5,339,492
Other Noncurrent Assets	
Due from Joint Venture	<u>183,580</u>
Total Noncurrent Assets	<u>5,523,072</u>
Total Assets	<u>6,292,090</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	63,525
Deferred Items - RBP	<u>144,819</u>
Total Deferred Outflows of Resources	<u>208,344</u>
Total Assets and Deferred Outflows of Resources	<u>6,500,434</u>

The notes to the financial statements are an integral part of this statement.

	Business-Type Activities <u>Sewer</u>
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LIABILITIES

Current Liabilities	
Accounts Payable	\$ 35,755
Accrued Payroll	7,818
Accrued Interest Payable	54,206
Current Portion of Long-Term Liabilities	<u>290,640</u>
Total Current Liabilities	<u>388,419</u>
Noncurrent Liabilities	
Compensated Absences Payable	82,560
Net Pension Liability - IMRF	175,742
Total OPEB Liability - RBP	882,479
General Obligation Bonds Payable - Net	<u>3,379,330</u>
Total Noncurrent Liabilities	<u>4,520,111</u>
Total Liabilities	<u>4,908,530</u>

DEFERRED INFLOWS OF RESOURCES

Deferred Items - IMRF	104,832
Deferred Items - RBP	<u>143,084</u>
Total Deferred Inflows of Resources	<u>247,916</u>
Total Liabilities and Deferred Inflows of Resources	<u>5,156,446</u>

NET POSITION

Net Investment in Capital Assets	1,690,162
Unrestricted (Deficit)	<u>(346,174)</u>
Total Net Position	<u>1,343,988</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BRADLEY, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund
For the Fiscal Year Ended April 30, 2020

	Business-Type Activities <u>Sewer</u>
Operating Revenues	
Charges for Services	\$ 2,056,721
Other Revenue	<u>31,719</u>
Total Operating Revenues	<u>2,088,440</u>
Operating Expenses	
Operations	
Operations and Management	2,100,333
Depreciation	322,992
Amortization	<u>(14,030)</u>
Total Operating Expenses	<u>2,409,295</u>
Operating Income (Loss)	<u>(320,855)</u>
Nonoperating Revenues (Expenses)	
Tap-On Fees	48,500
Interest	5
Other Revenue	921,506
Interest and Fiscal Charges	<u>(134,648)</u>
	<u>835,363</u>
Change in Net Position	514,508
Net Position - Beginning	<u>829,480</u>
Net Position - Ending	<u><u>1,343,988</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BRADLEY, ILLINOIS

Statement of Cash Flows - Proprietary Fund For the Fiscal Year Ended April 30, 2020

	Business-Type Activities
	<u>Sewer</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 3,130,104
Payments to Employees	(406,126)
Payments to Suppliers	(2,021,821)
	<u>702,157</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(402,022)
Principal Retirement	(260,000)
Interest Expense	(134,648)
	<u>(796,670)</u>
Cash Flows from Investing Activities	
Interest Received	<u>5</u>
Net Change in Cash and Cash Equivalents	(94,508)
Cash and Cash Equivalents - Beginning	<u>463,285</u>
Cash and Cash Equivalents - Ending	<u><u>368,777</u></u>
Reconciliation of Operating Income to Net Cash Provided	
(Used) by Operating Activities	
Operating Income (Loss)	(320,855)
Adjustments to Reconcile Operating Income to Net	
Income to Net Cash Provided by (Used in)	
Operating Activities:	
Other Income	970,006
Depreciation and Amortization	308,962
(Increase) Decrease in Current Assets	71,658
Increase (Decrease) in Current Liabilities	(327,614)
	<u>702,157</u>
Net Cash Provided by Operating Activities	<u><u>702,157</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BRADLEY, ILLINOIS

Statement of Fiduciary Net Position

April 30, 2020

	<u>Pension Trust</u>
ASSETS	
Cash and Cash Equivalents	\$ 447,504
Investments	
U.S. Treasury Obligations	1,143,468
U.S. Agency Obligations	5,270,981
Corporate Bonds	2,231,971
Municipal Bonds	1,079,180
Mutual Funds	11,193,320
Receivables - Net of Allowance	
Accrued Interest	59,182
Due from Other Funds	29,873
Prepays	<u>530</u>
Total Assets	21,456,009
LIABILITIES	
Accounts Payable	<u>4,649</u>
NET POSITION	
Net Position Restricted for Pensions	<u><u>21,451,360</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BRADLEY, ILLINOIS

**Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2020**

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 1,239,099
Contributions - Plan Members	<u>351,327</u>
Total Contributions	<u>1,590,426</u>
Investment Income	
Interest Earned	42,227
Net Change in Fair Value	<u>566,985</u>
	609,212
Less Investment Expenses	<u>(56,055)</u>
Net Investment Income	<u>553,157</u>
Total Additions	<u>2,143,583</u>
Deductions	
Administration	44,891
Benefits and Refunds	<u>1,174,358</u>
Total Deductions	<u>1,219,249</u>
Change in Fiduciary Net Position	924,334
Net Position Restricted for Pensions	
Beginning	<u>20,527,026</u>
Ending	<u><u>21,451,360</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Bradley (Village) operates under a Mayoral-Council form of government and provides the following services as authorized by statute: public safety, public works, building standards, economic development, information technology, sewer, and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of those employees and is governed by a five-member pension board, with two members appointed by the Village Mayor, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn firefighters. The FPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the FPERS.

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's general government, public safety, public works, building standards, economic development, information technology and general administrative services are classified as governmental activities. The Village's sewer services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, highways and streets, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.).

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc.).

The Village allocates indirect costs to the proprietary funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations, but are paid through the General Fund.

This government-wide focus concentrates on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a single column in the fund financial statements.

A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund. The State Rte. 50 Fund is used to account for the incremental tax revenues and expenditures for approved projects and debt service costs of the State Rte. 50 TIF District. The Village also maintains six nonmajor special revenue funds, the Motor Fuel Tax Fund, the Foreign Fire Insurance Fund, the Police Seizure Fund, the L Power Rd. TIF Fund, the Scrap Metal Fund, and the Hotel Tax Fund.

Debt Service Funds are used to account for the accumulation of financial resources for the servicing of long-term debt not financed by proprietary funds. The Village maintains one nonmajor debt service fund, the GO Bond Fund.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains one nonmajor capital projects fund, the Capital Projects Fund.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund of the Village:

Enterprise Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Sewer Fund, a major fund, is used to account for the provision of sewer services, repair and improvement services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity by the Village for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension Trust Funds are used to account for assets held in a trustee capacity by the Village for pension benefit payments. The 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 by the Village through an annual property tax levy. The 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.

The Village's pension trust funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party (retirees, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty (60) days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty (60) day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, income taxes, franchise taxes, licenses, interest income, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary and pension trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

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 revenue of the Village’s enterprise fund, is charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. 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.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds’ Statement of Cash Flows, cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Cash and Investments – Continued

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, income taxes, franchise taxes, and grants. Business-type activities report water and sewer charges as their major receivables.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepays are valued at cost, which approximates market. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	20 - 50 Years
Equipment	5 - 10 Years
Infrastructure	20 - 50 Years

Deferred Outflows/Inflows of Resources

Deferred outflows/inflows of resources represent an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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.

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. An annual appropriated budget is adopted for all funds, except the Scrap Metal Fund, GO Bond Fund, Police Pension Fund and Firefighters’ Pension Fund.

All departments of the Village submit requests to the Village’s Administrator so that a budget may be prepared. The budget is prepared by fund, function and activity and includes information on the past year, current year estimates and requested budgets for the next fiscal year. The proposed budget is presented to the Village Board for review. The Village Board holds public hearings and may add to, subtract from or change budgeted amounts, but may not change the form of the budget.

The annual Village appropriation ordinance states that no amendment is required for any expenditures that go over their adopted appropriation as long as there are sufficient fund revenues or reserves to pay the amount that exceeds the appropriation. During the year, one supplementary appropriation was made.

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

Fund	Excess
General	\$ 352,555
State Rte. 50 TIF	89,898
Motor Fuel Tax	248
Foreign Fire Insurance	22,141
Police Seizure	885
Capital Projects	86,054
Sewer	88,454

DEFICIT FUND BALANCE

The following funds had deficit fund balance as of the date of this report:

Fund	Deficit
Hotel Tax	\$ 8,869

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

Permitted Deposits and Investments – Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds.

The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Funds 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 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 forty-five percent 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 forty-five percent 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 fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

The 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. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

Village – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village’s deposits for governmental and business-type activities totaled \$4,079,232 and the bank balances totaled \$4,328,684.

Investments. The Village has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Agency Obligations	\$ 131,773	1,645	55,700	45,386	29,042
Illinois Funds	6,056,672	6,056,672	-	-	-
	<u>6,188,445</u>	<u>6,058,317</u>	<u>55,700</u>	<u>45,386</u>	<u>29,042</u>

The Village has the following recurring fair value measurements as of April 30, 2020:

Investments by Fair Value Level	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Agency Obligations	\$ 131,773	-	131,773	-
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	<u>6,056,672</u>			
Total Investments Measured at Fair Value	<u>6,188,445</u>			

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village'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.

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 to it. The Village's investment policy requires that funds on deposit in excess of FDIC must be secured by collateral and held by an independent third party. At year-end, the entire bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this 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 investments or collateral securities that are in the possession of an outside party. The Village's investment policy does not address custodial credit risk for investments. The Village's investment in the Illinois Fund is not subject to custodial credit risk.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. At year-end, the Village's investments in U.S. Agency Obligations are not rated and the Village's investment in the Illinois Funds was rated AAAM by Standard & Poor's.

Concentration Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy does not address concentration credit risk. At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$261,203 and the bank balances totaled \$261,203.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Obligations	\$ 1,074,761	50,539	501,461	522,761	-
U.S. Agency Obligations	5,263,231	106,003	1,314,540	3,579,200	263,488
Corporate Bonds	1,339,012	273,060	654,471	411,481	-
Municipal Bonds	902,354	50,338	101,079	641,632	109,305
	<u>8,579,358</u>	<u>479,940</u>	<u>2,571,551</u>	<u>5,155,074</u>	<u>372,793</u>

The Fund has the following recurring fair value measurements as of April 30, 2020:

Investments by Fair Value Level	Totals	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Obligations	\$ 1,074,761	1,074,761	-	-
U.S. Agency Obligations	5,263,231	-	5,263,231	-
Corporate Bonds	1,339,012	-	1,339,012	-
Municipal Bonds	902,354	-	902,354	-
Equity Securities				
Mutual Funds	11,045,199	11,045,199	-	-
Total Investments by Fair Value Level	<u>19,624,557</u>	<u>12,119,960</u>	<u>7,504,597</u>	<u>-</u>

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Interest Rate Risk. In accordance with the Pension Fund’s investment policy, the 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. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Fund’s investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The Fund’s investment policy also prescribes to 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.” The U.S. Agency Obligations are rated AA+ by Standard & Poor’s, the Corporate Bonds are rated BBB+ by Standard & Poor’s, and the Municipal Bonds are rated AA to AAA by Standard & Poor’s.

Custodial Credit Risk. The Fund limits its exposure by requiring all security transactions that are exposed to custodial credit risk to be processed on a delivery verse payment (DVP) basis with the underlying investments held by a third party acting as the Fund’s agency separate from where the investment was purchased. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

Concentration Credit Risk. The Fund does not have a formal investment policy to address concentration credit risk. In addition to the securities and fair values listed above, the Fund also has \$11,045,199 invested in mutual funds. At year-end, the Fund does not have any investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net position available for benefits.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration Risk – Continued. The Fund’s investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	45.00%	1.30%
Large Cap Domestic Equities	38.50%	6.30%
Small Cap Domestic Equities	11.00%	8.10%
International Equity	5.50%	6.80%
Cash and Cash Equivalents	0.00%	0.00%

Illinois Compiled Statutes (ILCS) limit the Fund’s investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

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 May 2020 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 the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund’s target asset allocation as of April 30, 2020 are listed in the table above.

Rate of Return

For the year ended April 30, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 2.58%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters’ Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund’s deposits totaled \$186,301 and the bank balances totaled \$186,301.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Obligations	\$ 68,707	-	-	20,319	48,388
U.S. Agency Obligations	7,750	-	-	-	7,750
Corporate Bonds	892,959	691,343	196,228	5,388	-
Municipal Bonds	176,826	126,938	49,888	-	-
	<u>1,146,242</u>	<u>818,281</u>	<u>246,116</u>	<u>25,707</u>	<u>56,138</u>

The Fund has the following recurring fair value measurements as of April 30, 2020:

Investments by Fair Value Level	Totals	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Obligations	\$ 68,707	68,707	-	-
U.S. Agency Obligations	7,750	-	7,750	-
Corporate Bonds	892,959	-	892,959	-
Municipal Bonds	176,826	-	176,826	-
Equity Securities				
Mutual Funds	148,121	148,121	-	-
Total Investments by Fair Value Level	<u>1,294,363</u>	<u>216,828</u>	<u>1,077,535</u>	<u>-</u>

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments – Continued. Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. In accordance with the Pension Fund's investment policy, the 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. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The Fund's investment policy also prescribes to 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." The U.S. Agency Obligations are not available, the Corporate Bonds are rated Baa3- to Aaa by Moody's, and the Municipal Bonds are rated AA by Standard & Poor's.

Custodial Credit Risk. The Fund limits its exposure by requiring all security transactions that are exposed to custodial credit risk to be processed on a delivery verse payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agency separate from where the investment was purchased. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

Concentration Credit Risk. The Fund does not have a formal investment policy to address concentration credit risk. In addition to the securities and fair values listed above, the Fund also has \$148,121 invested in mutual funds. At year-end, the Fund does not have any investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net position available for benefits.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration Credit Risk – Continued. The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	88.00%	3.24%
Domestic Equities	4.00%	7.17%
International Equity	2.00%	0.21%
Real Estate Equities	1.00%	7.78%
Blended equities	3.00%	6.96%
Cash and Cash Equivalents	2.00%	0.33%

Securities in any one company should not exceed 10% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

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 September 2020 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 the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2020 are listed in the table above.

Rate of Return

For the year ended April 30, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.72%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES

Property taxes for 2019 attach as an enforceable lien on January 1, 2019, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1, 2020, and September 1, 2020. The County collects such taxes and remits them periodically. As the 2019 levy is intended to finance fiscal year 2020-21 operations and debt service, the revenue has been recognized as a deferred inflow of resources at April 30, 2020. Property tax revenue reported in fiscal year 2019-20 is comprised primarily of collections of the 2018 tax levy.

INTERFUND BALANCES

Interfund balances are advances in anticipation of receipts. The composition of interfund balances as of the date of this report, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 213,706
General	State Rte. 50 TIF	5,986
Police Pension	General	24,129
Firefighters' Pension	General	<u>5,744</u>
		<u>249,565</u>

INTERFUND TRANSFER

Interfund transfer for the year consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General	Nonmajor Governmental	<u>\$ 19,656</u>

The Nonmajor Governmental Fund (Scrap Metal Fund) closed into the General Fund at the end of the fiscal year.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 6,649,488	6,768	-	6,656,256
Construction in Progress	114,495	33,711	-	148,206
	<u>6,763,983</u>	<u>40,479</u>	<u>-</u>	<u>6,804,462</u>
Depreciable Capital Assets				
Building and Improvements	7,504,959	1,101,822	-	8,606,781
Equipment	8,390,751	401,445	-	8,792,196
Infrastructure	15,423,816	-	-	15,423,816
	<u>31,319,526</u>	<u>1,503,267</u>	<u>-</u>	<u>32,822,793</u>
Less Accumulated Depreciation				
Building and Improvements	4,023,763	286,449	-	4,310,212
Equipment	6,890,868	312,447	-	7,203,315
Infrastructure	6,383,224	474,705	-	6,857,929
	<u>17,297,855</u>	<u>1,073,601</u>	<u>-</u>	<u>18,371,456</u>
 Total Net Depreciable Capital Assets	 <u>14,021,671</u>	 <u>429,666</u>	 <u>-</u>	 <u>14,451,337</u>
 Total Net Capital Assets	 <u>20,785,654</u>	 <u>470,145</u>	 <u>-</u>	 <u>21,255,799</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 751,520
Public Safety	246,929
Public Works	<u>75,152</u>
	<u><u>1,073,601</u></u>

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Construction in Progress	\$ 185,506	350,280	-	535,786
Depreciable Capital Assets				
Equipment	12,969,835	51,742	-	13,021,577
Less Accumulated Depreciation				
Equipment	7,894,879	322,992	-	8,217,871
Total Net Depreciable Capital Assets	5,074,956	(271,250)	-	4,803,706
Total Net Capital Assets	5,260,462	79,030	-	5,339,492

Depreciation expense was charged to business-type activities as follows.

Sewer	<u>\$ 322,992</u>
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LONG-TERM DEBT

General Obligation Bonds

The Village issued general obligation sewerage alternative revenue source bonds for the acquisition, construction and installation of capital assets. General obligation bonds currently outstanding are as follows:

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Refunding Bonds of 2015A, due in annual installments of \$215,000 to \$380,000 plus interest at 2.00% to 4.00% through December 1, 2030.	Sewer	\$ 3,755,000	-	260,000	3,495,000

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Tax Increment Revenue Bonds

The Village has entered into tax increment revenue bonds to provide financing for the State Rte. 50 TIF project. Tax increment revenue bonds currently outstanding are as follows:

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Tax Increment Revenue Refunding Bonds of 2018A, due in annual installments of \$350,000 to \$530,000, plus interest at 6.10% through January 1, 2027.	State Rte. 50 TIF	\$ 3,530,000	-	350,000	3,180,000

Tax Increment Revenue Notes Payable

The Village issued tax increment revenue notes for tax increment financing district capital improvements. The notes will be repaid only from the tax increment generated by the applicable tax increment financing district. Tax increment revenue notes currently outstanding are as follows:

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Tax Increment Revenue Note Payable of 2007, due in annual installments plus interest at 6.00% through December 30, 2023.	State Rte. 50 TIF	\$ 9,096,173	-	-	9,096,173
Tax Increment Revenue Note Payable of 2015, due in annual installments plus interest at 10.00% through July 10, 2029.	State Rte. 50 TIF	1,100,000	-	-	1,100,000
		<u>10,196,173</u>	<u>-</u>	<u>-</u>	<u>10,196,173</u>

Installment Contract Payable

The Village also issues installment contracts payable to provide funds for the purchase of capital assets. Installment contracts currently outstanding are as follows:

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Contract Payable – Continued

Issue	Retired by	Balances	Issuances	Retirements	Balances
Motorola Installment Contract of 2019, due in annual installments of \$97,485 to \$304,280 plus interest at 3.99% through June 1, 2021.	General	\$ -	304,280	105,420	198,860

Promissory Notes Payable

Promissory note payable has been issued for the governmental activities. Promissory notes payable are direct obligations and pledge the full faith and credit of the Village. Promissory notes payable currently outstanding are as follows:

Promissory Note of 2019, due in semi-annual installments of \$183,333 plus interest at 3.15% through December 1, 2025.	General	\$ -	1,100,000	-	1,100,000
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Legal Debt Margin

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."

Assessed Valuation - 2019	<u>\$ 295,066,553</u>
Legal Debt Limit - 8.625% of Assessed Value	25,449,490
Amount of Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>25,449,490</u>

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 1,474,093	158,983	317,966	1,315,110	263,022
Net Pension Liability - IMRF	2,317,582	-	1,230,750	1,086,832	-
Net Pension Liability - Police	13,005,965	950,617	-	13,956,582	-
Net Pension Liability - Fire	1,390,516	111,378	-	1,501,894	-
Total OPEB Liability - RBP	19,728,889	11,131	-	19,740,020	-
Tax Increment Revenue					
Bonds Payable	3,530,000	-	350,000	3,180,000	380,000
Tax Increment Revenue Note	10,196,173	-	-	10,196,173	-
Installment Contract Payable	-	304,280	105,420	198,860	97,485
Promissory Note Payable	-	1,100,000	-	1,100,000	-
	<u>51,643,218</u>	<u>2,636,389</u>	<u>2,004,136</u>	<u>52,275,471</u>	<u>740,507</u>
Business-Type Activities					
Compensated Absences	78,082	50,236	25,118	103,200	20,640
Net Pension Liability - IMRF	342,746	-	167,004	175,742	-
Total OPEB Liability - RBP	887,168	-	4,689	882,479	-
General Obligation					
Bonds Payable	3,755,000	-	260,000	3,495,000	270,000
Plus: Unamortized Premium	168,360	-	14,030	154,330	-
	<u>5,231,356</u>	<u>50,236</u>	<u>470,841</u>	<u>4,810,751</u>	<u>290,640</u>

For governmental activities the compensated absences, the net pension liabilities and the total OPEB liability are liquidated by the General Fund. The State Rte. 50 TIF Fund makes payments on the tax increment revenue bonds and tax increment revenue note payable. The General Fund makes payments on the installment contract payable and the promissory note payable.

For business-type activities the compensated absences, the net pension liability, the total OPEB liability, and the general obligation bonds payable are liquidated by the Sewer Fund.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities						Business-Type Activities	
	Tax Increment Revenue Bonds		Installment Contract		Promissory Note		General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 380,000	159,000	97,485	7,935	-	35,131	270,000	130,100
2022	400,000	140,000	101,375	4,045	-	35,131	275,000	122,000
2023	425,000	120,000	-	-	366,667	32,196	280,000	113,750
2024	455,000	98,750	-	-	366,667	20,549	290,000	105,350
2025	485,000	76,000	-	-	366,666	8,775	300,000	95,200
2026	505,000	51,750	-	-	-	-	315,000	83,200
2027	530,000	26,500	-	-	-	-	325,000	70,600
2028	-	-	-	-	-	-	340,000	57,600
2029	-	-	-	-	-	-	350,000	44,000
2030	-	-	-	-	-	-	370,000	30,000
2031	-	-	-	-	-	-	380,000	15,200
Totals	<u>3,180,000</u>	<u>672,000</u>	<u>198,860</u>	<u>11,980</u>	<u>1,100,000</u>	<u>131,782</u>	<u>3,495,000</u>	<u>867,000</u>

FUND BALANCE CLASSIFICATIONS

In the governmental fund financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

	General	Special Revenue		Totals
		State Rte. 50 TIF	Nonmajor	
Fund Balances				
Nonspendable				
Prepays	\$ 169,063	-	-	169,063
Restricted				
Economic Development	-	-	26,276	26,276
Street Maintenance	-	-	579,165	579,165
Debt Service	-	-	2,730	2,730
Capital Projects	-	-	374,154	374,154
Post-Employment Benefits	1,425,186	-	-	1,425,186
Infrastructure/Development	15,870	-	-	15,870
Public Safety - Police	2,150	-	83,209	85,359
	<u>1,443,206</u>	<u>-</u>	<u>1,065,534</u>	<u>2,508,740</u>
Committed				
Economic Development	-	743,947	-	743,947
Unassigned	<u>7,378,185</u>	<u>-</u>	<u>(8,869)</u>	<u>7,369,316</u>
Total Fund Balances	<u>8,990,454</u>	<u>743,947</u>	<u>1,056,665</u>	<u>10,791,066</u>

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of April 30, 2020:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 21,255,799
Less:	
Tax Increment Revenue Bonds Payable	(3,180,000)
Tax Increment Revenue Note	(10,196,173)
Installment Contract Payable	(198,860)
Promissory Note Payable	<u>(1,100,000)</u>
Net Investment in Capital Assets	<u>6,580,766</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	5,339,492
Less:	
General Obligation Bonds Payable	(3,495,000)
Unamortized Premium	<u>(154,330)</u>
Net Investment in Capital Assets	<u>1,690,162</u>

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

Arthur J. Gallagher & Co. is the Village's current full service insurance brokerage firm for property and liability coverage. The Village's property, equipment, boiler, general liability, automobile and law enforcement coverages are insured through the Illinois Municipal Insurance Cooperative. This includes, but is not limited to, the placement of insurance policies, coverage marketing, claims advocacy and management, loss prevention services, claim audits, training programs and risk information systems.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

The Village participates in the Illinois Public Risk Fund (IPRF) for workers' compensation coverage. IPRF is a self-funded workers' compensation pool for public entities, established to provide a cost-effective alternative to escalating workers' compensation premiums and related costs. By participating in IPRF, more than 500 public entities and government agencies have pooled their workers' compensation exposures and controlled costs through a unified loss prevention and claims management program.

Crime and Public Officials' bond coverage is included with the Illinois Municipal Insurance Cooperative. This coverage includes faithful performance of duties for all Village employees, elected officials, board members, commissioners, directors and non-compensated officers. The policy has also been endorsed to include all employees that are required to be bonded by law, as well as coverage for Treasurers and Tax Collectors up to the policy limits.

CONTINGENT LIABILITIES

Litigation

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

Grants

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

Financial Impact from COVID-19

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the Village's operations and financial position cannot be determined.

COMMITMENTS

Sales Tax Rebate Agreement

The Village of Bradley has entered into a sales tax rebate agreement with a local company. Under this agreement, the Village rebates \$35,000 of sales tax revenue generated by the facility on an annual basis. Total expenditures incurred to date on this agreement as of April 30, 2020 was \$105,000.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURE

Kankakee River Metropolitan Agency (KRMA)

The Village is a member of the Kankakee River Metropolitan Agency (KRMA) which consist of four municipalities. KRMA is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended, (the Act). KRMA is empowered under the Act to plan, construct, finance, operate and maintain a sewer and wastewater treatment system to serve its members.

KRMA is governed by a Board of Directors which consists of one official selected by each member municipality. Each Director has an equal vote. The officers of KRMA are appointed by the Board of Directors. The Board of Directors determines the general policy of the agency, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by the Agency, adopts by-laws, rules and regulations, and exercise such powers and performs such duties as may be prescribed in the Agency Agreement or in the by-laws.

Summary of Financial Position as of April 30, 2020:

Current Assets	\$ 4,230,058	Current Liabilities	5,063,084
Restricted Assets	2,982,468	Long-Term Liabilities	<u>60,233,885</u>
Capital Assets	70,045,567	Total Liabilities	65,296,969
Deferred Bond Refunding	<u>376,603</u>		
		Net Position	<u>12,337,727</u>
Total Assets/Deferred			
Outflows of Resources	<u>77,634,696</u>	Total Liabilities and Net Position	<u>77,634,696</u>

Summary of Revenues, Expenses and Changes in Net Position for the year ended April 30, 2020:

Operating Revenues	\$ 11,994,639
Operating Expenses	<u>9,033,929</u>
Operating Income	2,960,710
Nonoperating Revenues and Expenses	<u>(1,307,809)</u>
Change in Net Position	1,652,901
Net Position - Beginning	<u>10,684,826</u>
Net Position - Ending	<u>12,337,727</u>

Complete financial statements for KRMA can be obtained from the City of Kankakee accounting department.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURE – Continued

Kankakee River Metropolitan Agency (KRMA) – Continued

KRMA’s bonds are revenue obligations. They are limited obligations of KRMA with a claim for payment solely from and secured by a pledge of the revenues of the System and amounts in various funds and accounts established by Agency resolutions. The bonds are not a debt of any member. KRMA has no power to levy taxes.

Operating revenues of the Agency include charges to the participants for their respective share of the administration, operating and maintenance expenditures including provision for debt service of the Agency and charges to other waste haulers. Nonoperating revenues include investment income, insurance reimbursements, and capital grants.

KRMA is directed by an intergovernmental agreement dated May 1, 1996. This agreement stipulates that the City of Kankakee, the Villages of Aroma Park, Bourbonnais and Bradley will provide for the joint and cooperative operation, use and maintenance of the wastewater treatment system which serves these communities. The Agency acquired ownership of the Regional Wastewater Treatment Facility (RWTF) from the City of Kankakee on April 22, 1999. The acquisition was funded by the issuance of revenue bonds.

The participants make monthly payments from the estimated operation and maintenance expenses, administrative expenses, capital outlay, debt service and other equity transactions. Changes in actual expenditures as compared to budget, as well as changes in actual relative flows as compared to estimates create differences which are calculated and reflected in the participant receivable/payable accounts which are carried from year-to-year until availability of working capital enable repayment.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters’ Pension Plan, which is also a single-employer pension plan. Separate reports are not issued for the Police and Firefighters’ Pension Plans. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amount recognized for the three pension plans is:

	Net Pension Liabilities	Deferred Outflows	Deferred Inflows	Pension Expenses
IMRF	\$ 1,262,574	456,379	753,138	396,511
Police Pension	13,956,582	3,792,711	2,225,609	2,177,818
Firefighters' Pension	1,501,894	1,016,749	526,634	299,248
	<u>16,721,050</u>	<u>5,265,839</u>	<u>3,505,381</u>	<u>2,873,577</u>

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. 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 eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight 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 ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten 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.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Plan Membership. As of December 31, 2019, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	42
Inactive Plan Members Entitled to but not yet Receiving Benefits	22
Active Plan Members	<u>35</u>
Total	<u><u>99</u></u>

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2020, the Village's contribution was 11.14% of covered payroll.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2019, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.35% - 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions – Continued. For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). 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-2017 (base year 2015). 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-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.25%
Domestic Equities	37.00%	5.75%
International Equities	18.00%	6.50%
Real Estate	9.00%	5.20%
Blended	7.00%	3.60% - 7.60%
Cash and Cash Equivalents	1.00%	1.85%

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.25% the same as the prior valuation. 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 Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 3,348,287	1,262,574	(456,819)

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2018	\$ 15,378,958	12,718,630	2,660,328
Changes for the Year:			
Service Cost	293,151	-	293,151
Interest on the Total Pension Liability	1,099,236	-	1,099,236
Difference Between Expected and Actual Experience of the Total Pension Liability	75,265	-	75,265
Changes of Assumptions	-	-	-
Contributions - Employer	-	274,690	(274,690)
Contributions - Employees	-	133,212	(133,212)
Net Investment Income	-	2,432,086	(2,432,086)
Benefit Payments, including Refunds of Employee Contributions	(727,327)	(727,327)	-
Other (Net Transfer)	-	25,418	(25,418)
Net Changes	740,325	2,138,079	(1,397,754)
Balances at December 31, 2019	16,119,283	14,856,709	1,262,574

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

For the year ended April 30, 2020, the Village recognized pension expense of \$396,511. At April 30, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 122,378	-	122,378
Change in Assumptions	225,220	(144,786)	80,434
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(608,352)	(608,352)
Total Pension Expense to be Recognized in Future Periods	347,598	(753,138)	(405,540)
Pension Contributions Subsequent to Year-End	108,781	-	108,781
 Total Deferred Amounts Related to IMRF	 <u>456,379</u>	 <u>(753,138)</u>	 <u>(296,759)</u>

\$108,781 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2021. 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:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2021	\$ (108,949)
2022	(69,627)
2023	77,163
2024	(304,127)
2025	-
Thereafter	-
Total	<u>(405,540)</u>

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At April 30, 2020, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	30
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	<u>34</u>
Total	<u><u>65</u></u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

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 and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2020, the Village's contribution was 37.18% of covered payroll.

Concentrations. At year-end, the Fund does not have any investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net position available for benefits.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2020, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	3.00%
Cost of Living Adjustments	2.25%
Inflation	2.25%

Mortality rates were based on the RP-2014 mortality table adjusted for plan status, collar, and Illinois Public Pension data, as appropriate.

Discount Rate

The discount rate used to measure the total pension liability was 6.75% and the prior valuation was 6.59%. 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 Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate 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 or one percentage point higher than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 19,582,456	13,956,582	9,468,062

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2019	\$ 32,278,873	19,272,908	13,005,965
Changes for the Year:			
Service Cost	791,206	-	791,206
Interest on the Total Pension Liability	2,088,483	-	2,088,483
Changes of Benefit Terms	199,704	-	199,704
Difference Between Expected and Actual Experience of the Total Pension Liability	(166,746)	-	(166,746)
Changes of Assumptions	(95,628)	-	(95,628)
Contributions - Employer	-	1,091,372	(1,091,372)
Contributions - Employees	-	315,095	(315,095)
Net Investment Income	-	502,897	(502,897)
Benefit Payments, including Refunds of Employee Contributions	(1,174,358)	(1,174,358)	-
Administrative Expenses	-	(42,962)	42,962
Net Changes	1,642,661	692,044	950,617
Balances at April 30, 2020	33,921,534	19,964,952	13,956,582

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

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

For the year ended April 30, 2020, the Village recognized pension expense of \$2,177,818. At April 30, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 1,763,084	(691,453)	1,071,631
Change in Assumptions	1,493,254	(1,534,156)	(40,902)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	<u>536,373</u>	-	<u>536,373</u>
Total Deferred Amounts Related to Police Pension	<u><u>3,792,711</u></u>	<u><u>(2,225,609)</u></u>	<u><u>1,567,102</u></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:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2021	\$ 467,503
2022	570,769
2023	579,761
2024	556,324
2025	(209,960)
Thereafter	<u>(397,295)</u>
Total	<u><u>1,567,102</u></u>

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters’ Pension Plan

Plan Descriptions

Plan Administration. The Firefighters’ Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

Plan Membership. At April 30, 2020, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	-
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>6</u>
Total	<u><u>6</u></u>

Benefits Provided. The following is a summary of the Firefighters’ Pension Plan as provided for in Illinois State Statutes.

The Firefighters’ Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighters' office retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

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 and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2020, the Village's contribution was 35.52% of covered payroll.

Concentrations. At year-end, the Fund does not have any investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net position available for benefits.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters’ Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2020, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	4.50%
Salary Increases	3.25%
Cost of Living Adjustments	2.25%
Inflation	2.25%

Mortality rates were based on the RP-2014 Mortality Table (BCHA) projected to 2017 using improvement scale MP-2016.

Discount Rate

A Single Discount Rate of 4.43% was used to measure the total pension liability, and 4.97% in the prior valuation. The projection of cash flow used to determine this Single Discount Rate 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. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 4.50%, the municipal bond rate is 2.56%, and the resulting single discount rate is 4.43%.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters’ Pension Plan – Continued

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate 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 or one percentage point higher than the current rate:

	1% Decrease (3.43%)	Current Discount Rate (4.43%)	1% Increase (5.43%)
Net Pension Liability	\$ 2,222,528	1,501,894	953,204

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2019	\$ 2,644,634	1,254,118	1,390,516
Changes for the Year:			
Service Cost	169,239	-	169,239
Interest on the Total Pension Liability	131,437	-	131,437
Changes of Benefit Terms	37,303	-	37,303
Difference Between Expected and Actual Experience of the Total Pension Liability	(239,625)	-	(239,625)
Changes of Assumptions	245,314	-	245,314
Contributions - Employer	-	147,727	(147,727)
Contributions - Employees	-	36,232	(36,232)
Net Investment Income	-	50,260	(50,260)
Benefit Payments, including Refunds of Employee Contributions	-	-	-
Administrative Expenses	-	(1,929)	1,929
Net Changes	343,668	232,290	111,378
Balances at April 30, 2020	2,988,302	1,486,408	1,501,894

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

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

For the year ended April 30, 2020, the Village recognized pension expense of \$299,248. At April 30, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 185,764	(365,367)	(179,603)
Change in Assumptions	773,288	(161,267)	612,021
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	57,697	-	57,697
Total Deferred Amounts Related to Firefighters' Pension	<u>1,016,749</u>	<u>(526,634)</u>	<u>490,115</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:

Fiscal Year	Net Deferred Outflows of Resources
2021	\$ 55,528
2022	48,050
2023	39,622
2024	33,029
2025	29,633
Thereafter	<u>284,253</u>
Total	<u>490,115</u>

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The Village’s defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the Village. RBP is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. RBP provides healthcare, dental, vision, and life insurance benefits for retirees and their dependents. Employees are responsible for 20% of cost of coverage including coverage for any eligible spouse/dependent if hired before June 1, 2002. Employees hired on/after June 1, 2002 are responsible for 100%. Eligible dependent coverage may continue should retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs. The dependent would be responsible for the full cost of coverage.

Plan Membership. As of April 30, 2020, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	37
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>64</u>
Total	<u><u>101</u></u>

Total OPEB Liability

The Village’s total OPEB liability was measured as of April 30, 2020, and was determined by an actuarial valuation as of that date.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Actuarial Assumptions and Other Inputs. The total OPEB liability in the April 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	3.00%
Discount Rate	2.56%
Healthcare Cost Trend Rates	PPO has an ultimate rate of 5.0% and dental has an ultimate rate of 4.0%
Retirees' Share of Benefit-Related Costs	Pre-65 Coverage: Hired before June 1, 2002 20% of cost of coverage. Hired on/after June 1, 2002 100% of projected health insurance premiums for retirees. Post-65 Coverage: Hired before June 1, 2002 80% of Medicare supplement. Hired on/after are not eligible for any coverage with the Village.

The discount rate was based on a combination of the expected long-term rate of return on plan assets and the municipal bond rate.

Mortality rates were based on the Sex Distinct Raw Rates as Developed in the RP-2014 Study. These rates are improved generationally using MP-2017 improvement rates and weighted based on the IMRF December 31, 2017 Actuarial Valuation.

Change in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at April 30, 2019	\$ 20,616,057
Changes for the Year:	
Service Cost	290,033
Interest on the Total OPEB Liability	768,919
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	(3,828,171)
Changes of Assumptions or Other Inputs	3,431,592
Benefit Payments	(655,931)
Net Changes	<u>6,442</u>
Balance at April 30, 2020	<u><u>20,622,499</u></u>

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, calculated using a Single Discount Rate of 2.56%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (1.56%)	Current Discount Rate (2.56%)	1% Increase (3.56%)
Total OPEB Liability	\$ 24,196,840	20,622,499	17,786,102

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using varied Healthcare Trend Rates, as well as what the total OPEB liability would be if it were calculated using Healthcare Trend Rates that are one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 17,472,939	20,622,499	24,648,293

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended April 30, 2020, the Village recognized OPEB expense of \$1,079,244. At April 30, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(3,343,701)	(3,343,701)
Change in Assumptions	3,384,249	-	3,384,249
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-
Total Deferred Amounts Related to OPEB	<u>3,384,249</u>	<u>(3,343,701)</u>	<u>40,548</u>

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2021	\$ 20,292
2022	20,292
2023	20,292
2024	20,292
2025	20,292
Thereafter	<u>(60,912)</u>
Total	<u>40,548</u>

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- Schedule of Changes in the Employer's Net Pension Liability
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- Schedule of Investment Returns
 - Police Pension Fund
 - Firefighters' Pension Fund

- Schedule of Changes in the Employer's Total OPEB Liability
 - Retiree Benefits Plan

- Budgetary Comparison Schedule
 - General Fund
 - State Rte. 50 TIF - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF BRADLEY, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2020**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 299,251	\$ 309,478	\$ 10,227	\$ 2,671,882	11.58%
2017	329,486	329,486	-	2,742,566	12.01%
2018	301,407	301,407	-	2,549,512	11.82%
2019	308,462	308,462	-	2,706,365	11.40%
2020	283,438	283,438	-	2,544,065	11.14%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	24 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015)

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF BRADLEY, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Employer Contributions

April 30, 2020

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 835,134	\$ 835,134	\$ -	\$ 2,473,848	33.76%
2016	856,951	856,951	-	2,397,067	35.75%
2017	1,295,803	1,034,020	(261,783)	2,568,152	40.26%
2018	1,378,462	1,097,352	(281,110)	2,651,613	41.38%
2019	995,000	1,141,599	146,599	2,711,937	42.10%
2020	1,048,684	1,091,372	42,688	2,935,012	37.18%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.00%
Investment Rate of Return	6.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2014 Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as Appropriate

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF BRADLEY, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2020**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 85,451	\$ 85,451	\$ -	\$ 432,920	19.74%
2016	82,643	82,643	-	418,117	19.77%
2017	126,915	127,168	253	463,523	27.44%
2018	136,680	136,081	(599)	492,665	27.62%
2019	178,497	143,449	(35,048)	402,805	35.61%
2020	186,055	147,727	(38,328)	415,896	35.52%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	23 Years
Asset Valuation Method	5-year Average Market Value
Inflation	2.50%
Salary Increases	4.50%
Investment Rate of Return	5.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2014 Blue Collar Total Healthy Annuitant Mortality Table Projected to 2017 with MP-2016

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF BRADLEY, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2020**

	<u>12/31/2015</u>
Total Pension Liability	
Service Cost	\$ 289,708
Interest	932,167
Differences Between Expected and Actual Experience	(5,662)
Change of Assumptions	16,616
Benefit Payments, Including Refunds of Member Contributions	<u>(608,958)</u>
Net Change in Total Pension Liability	623,871
Total Pension Liability - Beginning	<u>12,621,750</u>
Total Pension Liability - Ending	<u><u>13,245,621</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 309,478
Contributions - Members	120,728
Net Investment Income	56,336
Benefit Payments, Including Refunds of Member Contributions	(608,958)
Other (Net Transfer)	<u>(37,497)</u>
Net Change in Plan Fiduciary Net Position	(159,913)
Plan Net Position - Beginning	<u>11,356,559</u>
Plan Net Position - Ending	<u><u>11,196,646</u></u>
Employer's Net Pension Liability	<u><u>\$ 2,048,975</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.53%
Covered Payroll	\$ 2,671,882
Employer's Net Pension Liability as a Percentage of Covered Payroll	76.69%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/2016	12/31/2017	12/31/2018	12/31/2019
304,282	299,035	260,755	293,151
976,549	1,037,717	1,053,044	1,099,236
213,056	60,574	63,319	75,265
(52,331)	(465,122)	449,498	-
(649,624)	(701,689)	(715,726)	(727,327)
791,932	230,515	1,110,890	740,325
13,245,621	14,037,553	14,268,068	15,378,958
14,037,553	14,268,068	15,378,958	16,119,283
336,158	320,462	321,618	274,690
124,503	112,733	120,808	133,212
769,379	2,118,625	(796,832)	2,432,086
(649,624)	(701,689)	(715,726)	(727,327)
170,628	(143,380)	134,321	25,418
751,044	1,706,751	(935,811)	2,138,079
11,196,646	11,947,690	13,654,441	12,718,630
11,947,690	13,654,441	12,718,630	14,856,709
2,089,863	613,627	2,660,328	1,262,574
85.11%	95.70%	82.70%	92.17%
2,766,734	2,505,183	2,684,626	2,638,715
75.54%	24.49%	99.09%	47.85%

VILLAGE OF BRADLEY, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2020**

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 708,543
Interest	1,300,620
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	1,052,181
Change of Assumptions	1,526,143
Benefit Payments, Including Refunds of Member Contributions	<u>(727,895)</u>
Net Change in Total Pension Liability	3,859,592
Total Pension Liability - Beginning	<u>19,602,058</u>
Total Pension Liability - Ending	<u><u>23,461,650</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 835,134
Contributions - Members	243,589
Net Investment Income	770,258
Benefit Payments, Including Refunds of Member Contributions	<u>(727,895)</u>
Administrative Expense	<u>(17,842)</u>
Net Change in Plan Fiduciary Net Position	1,103,244
Plan Net Position - Beginning	<u>13,337,267</u>
Plan Net Position - Ending	<u><u>14,440,511</u></u>
Employer's Net Pension Liability	<u><u>\$ 9,021,139</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.55%
Covered Payroll	\$ 2,473,848
Employer's Net Pension Liability as a Percentage of Covered Payroll	364.66%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

2016	2017	2018	2019	2020
677,653	705,319	752,928	854,006	791,206
1,556,396	1,697,657	1,730,420	1,938,932	2,088,483
-	-	-	-	199,704
767,576	(859,321)	1,728,582	525,849	(166,746)
-	-	2,621,662	(1,937,377)	(95,628)
(881,315)	(973,185)	(1,033,166)	(1,055,393)	(1,174,358)
2,120,310	570,470	5,800,426	326,017	1,642,661
23,461,650	25,581,960	26,152,430	31,952,856	32,278,873
25,581,960	26,152,430	31,952,856	32,278,873	33,921,534
856,951	1,034,020	1,097,352	1,141,599	1,091,372
256,757	336,843	257,108	281,671	315,095
(144,168)	1,459,719	1,151,402	1,186,364	502,897
(881,315)	(973,185)	(1,033,166)	(1,055,393)	(1,174,358)
(35,061)	(20,642)	(40,515)	(43,944)	(42,962)
53,164	1,836,755	1,432,181	1,510,297	692,044
14,440,511	14,493,675	16,330,430	17,762,611	19,272,908
14,493,675	16,330,430	17,762,611	19,272,908	19,964,952
11,088,285	9,822,000	14,190,245	13,005,965	13,956,582
56.66%	62.44%	55.59%	59.71%	58.86%
2,397,067	2,568,152	2,651,613	2,711,937	2,935,012
462.58%	382.45%	535.16%	479.58%	475.52%

VILLAGE OF BRADLEY, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2020**

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 94,173
Interest	69,422
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	(176,896)
Change of Assumptions	212,506
Benefit Payments, Including Refunds of Member Contributions	<u>-</u>
Net Change in Total Pension Liability	199,205
Total Pension Liability - Beginning	<u>991,745</u>
Total Pension Liability - Ending	<u><u>1,190,950</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 85,451
Contributions - Members	32,944
Net Investment Income	6,384
Benefit Payments, Including Refunds of Member Contributions	-
Administrative Expense	<u>(7,662)</u>
Net Change in Plan Fiduciary Net Position	117,117
Plan Net Position - Beginning	<u>521,141</u>
Plan Net Position - Ending	<u><u>638,258</u></u>
Employer's Net Pension Liability	<u><u>\$ 552,692</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.59%
Covered Payroll	\$ 432,920
Employer's Net Pension Liability as a Percentage of Covered Payroll	127.67%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

2016	2017	2018	2019	2020
147,846	149,284	211,318	185,233	169,239
70,394	83,652	100,837	89,614	131,437
-	-	-	-	37,303
(67,729)	(78,994)	(73,876)	216,318	(239,625)
104,572	240,882	(230,384)	382,250	245,314
(35,443)	-	-	(42,090)	-
219,640	394,824	7,895	831,325	343,668
1,190,950	1,410,590	1,805,414	1,813,309	2,644,634
1,410,590	1,805,414	1,813,309	2,644,634	2,988,302
82,643	127,168	136,081	143,449	147,727
41,605	44,180	45,121	46,250	36,232
1,157	9,976	7,453	24,991	50,260
(35,443)	-	-	(42,090)	-
(4,663)	(2,633)	(2,140)	(7,245)	(1,929)
85,299	178,691	186,515	165,355	232,290
638,258	723,557	902,248	1,088,763	1,254,118
723,557	902,248	1,088,763	1,254,118	1,486,408
687,033	903,166	724,546	1,390,516	1,501,894
51.29%	49.97%	60.04%	47.42%	49.74%
418,117	463,523	492,665	402,805	415,896
164.32%	194.85%	147.07%	345.21%	361.12%

VILLAGE OF BRADLEY, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
April 30, 2020**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	5.73%
2016	(0.85%)
2017	9.66%
2018	7.15%
2019	6.69%
2020	2.58%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF BRADLEY, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
April 30, 2020**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	1.15%
2016	(0.50%)
2017	1.55%
2018	1.08%
2019	3.19%
2020	5.72%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF BRADLEY, ILLINOIS

Retiree Benefits Plan

**Required Supplementary Information
Schedule of Changes in the Employer's Total OPEB Liability
April 30, 2020**

	2019	2020
Total OPEB Liability		
Service Cost	\$ 283,321	290,033
Interest	768,138	768,919
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	-	(3,828,171)
Change of Assumptions or Other Inputs	527,900	3,431,592
Benefit Payments	(623,718)	(655,931)
Net Change in Total OPEB Liability	955,641	6,442
Total OPEB Liability - Beginning	19,660,416	20,616,057
	<u>20,616,057</u>	<u>20,622,499</u>
Total OPEB Liability - Ending		
	\$ 5,348,023	4,810,976
Covered Payroll		
	385.49%	428.66%
Total OPEB Liability as a Percentage of Covered Payroll		

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Assumptions. Changes of assumptions related to the discount rate were made in 2019 and 2020.

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 11,576,013	11,458,340	11,636,792
Intergovernmental	19,201	36,179	48,983
Licenses and Permits	273,451	296,799	298,516
Charges for Services	426,250	549,719	595,446
Fines and Forfeitures	376,400	423,927	431,997
Interest	60,000	73,230	74,257
Miscellaneous	322,050	361,356	396,648
Total Revenues	13,053,365	13,199,550	13,482,639
Expenditures			
Current			
General Government	4,983,464	4,568,920	4,664,153
Public Safety	6,078,408	6,051,718	6,244,613
Public Works	1,327,309	1,274,257	1,260,392
Building Standards	479,989	512,401	513,079
Economic Development/Incentive	35,000	35,000	35,000
Information Technology	250,539	125,536	101,741
Employee Benefits	569,065	472,326	468,315
Debt Service			
Principal Payment	-	-	105,420
Total Expenditures	13,723,774	13,040,158	13,392,713
Excess (Deficiency) of Revenues Over Expenditures	(670,409)	159,392	89,926
Other Financing Sources			
Disposal of Capital Assets	5,000	-	-
Debt Issuance	200,000	198,860	304,280
Transfers In	-	-	19,656
	205,000	198,860	323,936
Net Change in Fund Balance	(465,409)	358,252	413,862
Fund Balance - Beginning			<u>8,576,592</u>
Fund Balance - Ending			<u>8,990,454</u>

VILLAGE OF BRADLEY, ILLINOIS

State Rte. 50 TIF - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 1,150,000	1,219,023	1,219,023
Interest	35,000	3,300	10,549
Miscellaneous	40,000	-	-
Total Revenues	<u>1,225,000</u>	<u>1,222,323</u>	<u>1,229,572</u>
Expenditures			
Current			
Economic Incentive/Development	220,000	193,047	192,734
Debt Service			
Principal Retirement	345,000	350,000	350,000
Interest and Fiscal Charges	578,461	624,656	714,867
Total Expenditures	<u>1,143,461</u>	<u>1,167,703</u>	<u>1,257,601</u>
Net Change in Fund Balance	<u>81,539</u>	<u>54,620</u>	(28,029)
Fund Balance - Beginning			<u>771,976</u>
Fund Balance - Ending			<u>743,947</u>

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedule – Enterprise Fund
- Combining Statements – Pension Benefit Trust Funds
- Consolidated Year-End Financial Report

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

State Rte. 50 TIF Fund

The State Rte. 50 TIF Fund is used to account for the incremental tax revenues and expenditures for approved projects and debt service costs of the State Rte. 50 TIF District.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for state shared motor fuel tax revenues that are legally restricted to maintenance and construction of streets, sidewalks, alleys and traffic signals.

Foreign Fire Insurance Fund

The Foreign Fire Insurance Fund is used to account for the revenues derived from the Foreign Fire Insurance Tax and disbursement of these funds for the benefit, use and maintenance related to the Fire Department.

Police Seizure Fund

The Police Seizure Fund is used to account for monies seized from drug arrests. Funds are sent to the State of Illinois who thereby allocates and returns funds to the Village to use for drug enforcement and education purposes.

L Power Rd. TIF

The L Power Rd. TIF Fund is used to account for the incremental tax revenues and expenditures for approved projects of the L Power Rd. TIF District.

Scrap Metal Fund

The Scrap Metal Fund is used to account for monies received by the Village Public Works and Building Standards departments for all forms of recycled scrap metal.

INDIVIDUAL FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS – CONTINUED

Hotel Tax Fund

The Hotel Tax Fund is used to account for the accumulation of resources from payment of hotel/motel taxes. The Village has established a 5% hotel tax pursuant to state law. Funds are committed to promoting tourism and conventions within the municipality.

DEBT SERVICE FUND

The Debt Service Funds are created to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

GO Bond Fund

The GO Bond Fund is used to account for the accumulation of resources for, and the payment of, general obligation bond principal and interest.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for all resources used for the acquisition of capital assets by a governmental unit except those financed by Proprietary Funds.

ENTERPRISE FUND

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose. The Village's enterprise funds are both major funds.

Sewer

The Sewer Fund is used to account for the provision of sewer services, repair, and improvement services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

INDIVIDUAL FUND DESCRIPTIONS

TRUST FUNDS

PENSION TRUST FUNDS

Police Pension Fund

The 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 by the Village through an annual property tax levy.

Firefighters' Pension Fund

The Firefighters' 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 by the Village through an annual property tax levy.

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 2,167,713	2,232,173	2,253,342
State Shared Taxes			
State Income Tax	1,474,499	1,600,000	1,563,829
State Sales Tax	6,957,250	6,785,911	6,966,752
Replacement Taxes	106,500	127,000	120,551
Telecommunications Tax	360,000	158,090	158,090
State Use Tax	509,951	555,000	574,082
Auto Rental Tax	100	166	146
	9,408,300	9,226,167	9,383,450
Total Taxes	11,576,013	11,458,340	11,636,792
Intergovernmental			
Grants	18,701	21,579	21,579
Police Grants	500	380	380
Fire Grants	-	14,220	27,024
Total Intergovernmental	19,201	36,179	48,983
Licenses and Permits			
Licenses			
Business Licenses	10,000	7,765	7,765
Liquor Licenses	60,500	68,500	68,500
Vending License	10,550	7,921	7,920
Tobacco License	1,500	1,400	1,400
Motor Vehicle Repair	2,000	67,518	67,518
Other License	14,000	5,595	5,595
	98,550	158,699	158,698
Permits			
Building Permits	160,000	135,000	136,718
Hall Rental	14,401	2,400	2,400
Park Rental	500	700	700
	174,901	138,100	139,818
Total Licenses and Permits	273,451	296,799	298,516

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Charges for Services			
Garbage Billings	\$ 1,000	576	580
Ambulance Revenue	370,000	495,000	540,012
Administrative Review Fee	8,500	8,338	8,338
Summer Program Revenue	-	10	10
Sex Offender Registration	500	535	535
Public Safety Inspections	11,000	10,210	10,110
Enforced Mowing	500	550	550
Garage Sales Revenue	250	480	480
Senior Citizen Activities	1,000	671	1,342
Bulk Waste Disposal	500	-	83
Cell Tower Revenue	33,000	33,349	33,406
Total Charges for Services	426,250	549,719	595,446
Fines and Forfeitures			
Circuit Court Fees	110,000	121,168	121,168
Administrative Tow Fee	160,000	146,350	145,350
D.U.I. Fines	9,000	10,238	10,238
Adjudication Fines	45,000	65,340	65,315
False Alarm Fines	1,500	2,125	2,125
Fines - Vehicle Fund	8,200	5,170	5,170
Accident Report Fees	2,200	2,171	2,151
Parking Fines and Other Fees	-	3,109	3,109
Livescan Fingerprint	-	256	(677)
IDROP Receipts	40,000	68,000	78,048
Other Fines	500	-	-
Total Fines and Forfeitures	376,400	423,927	431,997
Interest	60,000	73,230	74,257
Miscellaneous			
Donations	23,000	25,058	25,058
Reimbursements	64,000	66,472	75,876
Franchise Fees	210,000	225,500	220,930
Other Income	25,050	44,326	74,784
Total Miscellaneous	322,050	361,356	396,648
Total Revenues	13,053,365	13,199,550	13,482,639

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Revenues by Function/Department - Budget and Actual
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
General Government			
General Administration			
Property Taxes	\$ 913,720	1,044,082	1,014,243
Property Taxes - Police Pension	1,078,684	1,046,435	1,091,372
Property Taxes - Fire Pension	175,309	141,656	147,727
Retailers Occupational Tax	6,950,000	6,775,000	6,957,192
Use Tax Revenue	509,951	555,000	574,082
Sales Taxes - Business District	7,250	6,844	6,959
Illinois Income Tax	1,474,499	1,600,000	1,563,829
State Cannabis Tax	-	4,067	2,601
Replacement Tax	106,500	127,000	120,551
Auto Rental Tax	100	166	146
Cell Tower Revenue	33,000	33,349	33,406
Franchise Fees	210,000	225,500	220,930
Telecommunications Tax	360,000	158,090	158,090
Grants	18,701	21,579	21,579
Interest	60,000	73,230	74,257
IDROP Receipts	40,000	68,000	78,048
Other Income	12,500	24,550	26,358
Total General Administration	<u>11,950,214</u>	<u>11,904,548</u>	<u>12,091,370</u>
Village President			
Liquor License	<u>60,500</u>	<u>68,500</u>	<u>68,500</u>
Village Clerk			
Vending Sticker Fee	10,550	7,921	7,920
Tobacco License	1,500	1,400	1,400
Motor Vehicle Repair	2,000	67,518	67,518
Administration Review Fee	3,000	3,638	3,638
Other License	<u>3,000</u>	<u>2,145</u>	<u>2,145</u>
Total Village Clerk	<u>20,050</u>	<u>82,622</u>	<u>82,621</u>
Public Benefit			
Summer Program Revenue	-	10	10
Garbage Collection	1,000	576	580
Christmas Parade Donations	2,500	2,625	2,625
Garage Sale Revenues	250	480	480
Senior Citizen Activities	<u>1,000</u>	<u>671</u>	<u>1,342</u>
Total Public Benefit	<u>4,750</u>	<u>4,362</u>	<u>5,037</u>
Total General Government	<u>12,035,514</u>	<u>12,060,032</u>	<u>12,247,528</u>

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Revenues by Function/Department - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Public Safety			
Police Department			
Police Salary Reimbursement	\$ 64,000	65,912	65,912
Police Grants	500	380	380
Circuit Court Fines	110,000	121,168	121,168
D.U.I. Fines	9,000	10,238	10,238
False Alarm Fines	1,500	1,825	1,825
Fines - Vehicle Fund	8,200	5,170	5,170
Sex Offender Registration	500	535	535
Accident Reports Fees	2,200	2,171	2,151
Parking Fines and Other Fees	-	3,109	3,109
Livescan Fingerprint Fee	-	256	(677)
Adjudication Revenue	25,000	21,450	21,425
Administrative Tow Fees	160,000	146,350	145,350
Other Fines	500	-	-
Insurance Reimbursement	-	-	9,404
National Night Out Donations	13,000	11,890	11,890
Shop with a Cop Donations	7,400	8,843	8,843
Other Income	500	8,719	8,719
Police Contributions/Donations	100	1,700	1,700
Total Police Department	402,400	409,716	417,142
Fire Department			
Smoke Detection Inspections	11,000	10,210	10,110
Fire Salary Reimbursement	-	560	560
Fire Grants	-	14,220	27,024
False Alarm Fines	-	300	300
Ambulance Service	370,000	495,000	540,012
Other Income	2,050	2,487	2,487
Total Fire Department	383,050	522,777	580,493
Total Public Safety	785,450	932,493	997,635
Public Works			
Park Rental Fees	500	700	700
Enforced Mowing	500	550	550
Bulk Waste Disposal	500	-	83
Other Income	10,000	8,508	33,261
Total Public Works	11,500	9,758	34,594

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Revenues by Function/Department - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Public Property			
Hall Rental Fee	\$ 14,401	2,400	2,400
Building Standards			
Business Registration Fee	10,000	7,765	7,765
Building Permits	160,000	135,000	136,718
Zoning Fees	5,500	4,700	4,700
Landlord License Registration	11,000	3,450	3,450
Adjudication - Code	20,000	43,890	43,890
Other Income	-	62	3,959
Total Building Standards	206,500	194,867	200,482
Total Revenues by Function/Department	13,053,365	13,199,550	13,482,639

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
General Government			
General Administration			
General Activity			
Vacation Buyback	\$ 102,778	-	-
Telephones - Mobile	1,400	1,800	844
Telephones - Office	10,500	1,770	2,715
Mileage	500	-	-
Office Supplies	10,000	18,450	17,137
Office Equipment Purchase	1,000	2,985	2,985
Office Equipment Repairs and Maintenance	3,200	3,942	3,942
Department Projects	24,000	9,423	9,423
Postage	1,000	2,776	2,444
Property Purchase	50,000	4,586	4,586
Hardware Purchase	1,000	27	27
Building/Property Improvements	-	2,000	1,609
Real Estate Tax Payments	-	730	730
General Supplies	100	300	262
General Liability Insurance	455,027	439,000	452,612
Unemployment Insurance	15,000	5,802	4,033
Compensation Pool	25,904	-	-
Legal Fees	230,000	230,000	254,751
Other Legal Costs	12,000	11,500	10,699
Legislative Council	-	30,000	14,280
Temporary Help	-	135,000	147,284
Audit Fees	14,500	24,436	24,436
Memberships	4,545	3,612	3,625
Publications, Notices, Legal	1,500	11,700	11,386
Conventions and Meetings	8,670	5,100	4,742
Community Events	1,500	5,650	5,937
Codification	3,000	-	-
Training and Registration	1,000	614	9,458
Tuition Reimbursement	-	9,038	9,038
Travel and Lodging	12,610	4,538	4,538
Meals and Per Diem	2,630	1,930	2,114
Covid-19 Expenditures	-	5,750	17,126
Other Fees and Services	1,500	32,500	32,693

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
General Government - Continued			
General Administration - Continued			
General Activity - Continued			
Amenities for the Sick	\$ 1,000	240	240
Miscellaneous	500	-	-
Total General Activity	996,364	1,005,199	1,055,696
Support Staff			
Wages - Support Staff	33,103	47,100	47,518
Wages - Part-Time	-	3,484	3,484
Overtime - Support Staff	1,500	3,238	3,238
Stipends	1,300	600	600
Total Support Staff	35,903	54,422	54,840
Total General Administration	1,032,267	1,059,621	1,110,536
Benefits			
General Activity			
Employee Insurance Contribution	-	(300,947)	-
Dental Insurance	57,823	69,858	61,420
Life and Disability Insurance	12,966	14,042	14,042
Medical Insurance - Village	1,243,175	1,501,335	1,200,388
IMRF	245,150	243,985	243,985
FICA	155,712	154,905	155,892
Medicare	85,615	87,038	87,269
Optional Insurance Premiums	-	5	11,027
Employee Deductible Reimbursement	529,750	180,000	160,728
Total Benefits	2,330,191	1,950,221	1,934,751
Board of Trustees			
General Activity			
Salary - Trustees	28,800	28,800	28,943

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
General Government - Continued			
Village President			
General Activity			
Salary - President	\$ 13,200	550	614
Telephone - Mobile	-	3	3
Community Events	-	225	225
Amenities for the Sick	-	801	871
Total General Activity	13,200	1,579	1,713
Liquor Control			
Salary - Liquor Commissioner	1,200	1,200	1,150
Total Village President	14,400	2,779	2,863
Village Administrator			
Management			
Salary - Administrator	105,435	108,235	108,919
Telephone - Mobile	-	1,575	1,570
Total Village Administrator	105,435	109,810	110,489
Village Clerk			
General Activity			
Salary - Clerk	8,100	6,875	6,964
Memberships	-	440	440
Conventions and Meetings	-	45	45
Codification	-	1,150	1,150
Travel and Lodging	-	488	488
Total Village Clerk	8,100	8,998	9,087

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
General Government - Continued			
Village Treasurer			
General Activity			
Salary - Treasurer	\$ 102,960	104,100	104,797
Telephone - Mobile	-	-	(11)
Mileage	500	-	-
Office Supplies	500	-	-
Dental Insurance	500	-	-
Life and Disability Insurance	500	-	-
Health Insurance	500	-	-
IMRF	500	-	-
FICA	500	-	-
Medicare	500	-	-
	<hr/>		
Total Village Treasurer	106,960	104,100	104,786
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Public Benefit			
General Activity			
Salary - Police Pension Board	200	125	125
Christmas Activities	5,500	6,894	6,894
Senior Citizen Activities	6,000	4,482	2,110
Community Calendar	4,750	4,743	4,743
Metro Transit Contribution	36,813	35,741	35,741
Engineer Cost	48,500	63,000	72,471
Other Fees and Services	1,155	1,155	1,155
Fire Pension Cost	175,309	141,656	147,727
Police Pension Cost	1,078,684	1,046,435	1,091,372
Community Garage Sale	400	360	360
	<hr/>		
Total Public Benefit	1,357,311	1,304,591	1,362,698
	<hr/>		
Total General Government	4,983,464	4,568,920	4,664,153
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VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Public Safety			
Police Department			
General Activity			
Telephone - Mobile	\$ 20,000	21,400	21,366
Telephone - Office	13,500	8,135	7,937
Lead Communications	6,636	6,283	5,759
Vehicle Repair and Maintenance	45,000	65,000	62,579
Vehicle Fuel, Gas, Oil	67,500	58,700	56,934
Vehicle Purchase	140,000	-	-
Vehicle License	800	247	247
Equipment Repair	8,000	10,000	10,017
Equipment Purchase	356,820	351,292	350,642
Office Supplies	10,000	6,850	6,360
Office Equipment Purchase	1,500	1,500	1,357
Office Equipment Repair and Maint.	1,000	101	100
Software - Maintenance	-	6,984	6,984
Hardware - Maintenance	-	500	465
Department Projects	-	700	700
Postage	1,100	730	1,219
Software Purchase	24,000	18,000	15,496
Hardware Purchase	3,100	3,000	2,701
General Supplies	17,500	7,500	6,939
Animal Control	2,000	-	-
Medical Payments	500	719	719
Memberships	2,500	1,370	1,370
Publications and Notices	400	-	-
Literature and Periodicals	200	-	-
Training and Registration	23,000	4,171	6,191
Tuition Reimbursement	15,000	14,500	13,903
Meals and Per Diem	450	363	363
Shooting Range	10,000	6,585	6,585
Other Fees and Services	55,000	74,000	73,185
Kancomm Fees	-	-	77,512
Uniforms	12,000	12,000	8,944
National Night Out	13,000	12,550	12,550

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
General Activity - Continued			
Shop with a Cop	\$ 7,400	9,447	9,447
Amenities for the Sick	500	-	-
Community Projects	2,500	2,100	1,263
Total General Activity	860,906	704,727	769,834
Management			
Salary - Management	463,284	533,600	536,432
Overtime - Management	-	240	240
Holiday Pay	134,082	-	-
Stipends	16,043	16,042	16,042
Total Management	613,409	549,882	552,714
Support Staff			
Wages - Support Staff	256,277	265,350	265,390
Overtime - Support Staff	7,000	4,675	4,486
Stipends	6,300	4,700	4,700
Total Support Staff	269,577	274,725	274,576
Supervisory Staff			
Wages - Supervisory Staff	671,531	673,750	676,919
Overtime	90,000	52,000	51,240
Premium Overtime	1,000	1,759	1,759
Stipends	18,900	18,900	18,900
Court Pay	2,500	2,073	2,073
Shift Premium	6,000	5,875	5,784
Total Supervisory Staff	789,931	754,357	756,675
Patrol Officers			
Wages - Patrol Officers	1,566,837	1,803,000	1,810,298
Overtime	91,000	88,500	88,371
Premium Overtime	1,000	291	291
Stipends	62,100	61,440	61,440
Court Pay	10,000	10,639	10,639
Shift Premium	16,000	15,000	14,699
Total Patrol Officers	1,746,937	1,978,870	1,985,738

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Dispatch			
Wages - Dispatch	\$ 587,091	540,000	642,927
Overtime	40,000	48,539	48,539
Premium Overtime	-	650	650
Stipends	19,000	18,200	18,200
Shift Premium	8,000	6,334	6,334
Total Dispatch	654,091	613,723	716,650
Part-Time Personnel			
Wages - Crossing Guards	25,000	21,151	21,151
Community Service Officer			
Animal Control Expenditures	-	5,200	4,895
Total Police Department	4,959,851	4,902,635	5,082,233
Fire and Police Commission			
General Activity			
Salary - Fire and Police Commission	5,200	2,800	2,416
Overtime - Secretary	3,000	-	183
Postage	50	-	-
Memberships	600	495	495
Publications and Notices	500	-	-
Recruit Testing	25,000	7,500	4,625
Training and Schooling	3,500	-	1,240
Travel and Lodging	1,000	332	332
Meals and Per Diem	500	-	-
Total Fire and Police Commission	39,350	11,127	9,291

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department			
General Activity			
Telephone - Mobile	\$ 6,000	6,470	6,467
Telephone - Office	300	246	224
Vehicle Repair and Maintenance	33,000	31,500	29,740
Vehicle Fuel, Gas and Oil	13,000	11,050	10,765
Equipment Repair	10,000	4,700	4,525
Equipment Purchase	45,000	36,500	35,301
Equipment Purchase - Grant	-	14,346	14,346
Office Supplies	4,000	4,000	3,675
Office Equipment Purchase	1,000	234	234
Office Equipment Repair and Maint.	500	177	177
Software Maintenance	7,000	7,007	7,007
Hardware Maintenance	1,500	1,400	1,245
Postage	250	358	369
Software Purchase	1,000	-	-
Hardware Purchase	1,500	705	705
Building Improvements	28,000	17,500	7,990
General Supplies	3,500	3,650	4,753
Training and Registration	7,000	2,400	2,357
Tuition Reimbursement	3,000	-	-
Travel and Lodging	500	565	565
Meals and Per Diem	500	-	-
Training Materials	4,000	5,548	5,548
Training Equipment	2,500	1,344	1,344
Equipment Testing Service	15,000	13,200	12,823
Other Fees and Services	5,000	85,300	85,301
Collection Services	25,000	-	-
Andre Medical Billing Service	-	27,000	23,024
Miscellaneous	500	750	330
Total General Activity	218,550	275,950	258,815

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Management			
Salary - Management	\$ 115,379	42,752	43,450
Wages - FD Officer	8,000	3,290	3,325
Stipends	-	1,500	1,500
Memberships	1,000	500	443
Publications and Notices	1,000	-	-
Travel and Lodging	500	228	228
Meals and Per Diem	700	-	-
Total Management	126,579	48,270	48,946
Support Staff			
Wages - Support Staff	61,402	61,285	61,772
Overtime - Support Staff	-	217	217
Holiday - Support Staff	10,199	-	-
Stipends	1,200	1,200	1,200
Total Support Staff	72,801	62,702	63,189
Fire Suppression/Rescue			
Wages - Paid on Call	120,000	115,500	117,086
POC Accident and Health	5,000	2,860	2,860
Uniforms	2,500	3,916	3,916
Total Fire Suppression/Rescue	127,500	122,276	123,862
EMS			
Wages - EMS	387,877	430,500	433,848
Wages - Part-Time EMS	12,000	8,000	7,918
Overtime - EMS	100,000	147,100	148,423
Stipends	16,900	15,700	15,700
Equipment Purchase	-	20,713	45,523
Medical Payments	-	-	317
Medical Supplies	8,500	5,500	5,303

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
EMS - Continued			
Medical Equipment	\$ 8,000	1,105	1,105
Uniform Cleaning	300	-	-
Miscellaneous	200	140	140
Total EMS	533,777	628,758	658,277
Total Fire Department	1,079,207	1,137,956	1,153,089
Total Public Safety	6,078,408	6,051,718	6,244,613
Public Works			
General Activity			
Telephone - Mobile	1,800	1,931	1,926
Telephone - Office	10,000	10,750	10,547
Electric	4,000	4,750	4,250
Water and Sewer	2,800	3,340	3,208
Vehicle Fuel, Gas and Oil	39,000	36,500	33,644
Office Supplies	1,500	800	1,333
Office Equipment Purchase	-	677	677
Postage	-	26	53
Building Repair and Maintenance	5,000	401	401
Exterminating	15,000	2,404	2,404
Tree Removal	20,000	14,570	14,570
Other Fees and Services	1,500	2,217	2,217
Total General Activity	100,600	78,366	75,230
Management			
Salary - Management	128,797	126,500	127,685
Telephone - Mobile	900	86	86
Vehicle Repair and Maintenance	-	3	3
Memberships	400	347	426
Conventions and Meetings	4,000	2,186	2,186
Meals and Per Diem	1,000	-	-
Miscellaneous	-	31	31
Total Management	135,097	129,153	130,417

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Public Works - Continued			
Street Lighting			
Electric - Street Lights	\$ -	120,000	106,514
Traffic Light Repair	50,000	24,200	24,261
Street Light Repair and Maintenance	15,000	9,100	9,426
Total Street Lighting	65,000	153,300	140,201
Street and Alley Maintenance			
Wages - Street Alley	546,312	572,200	576,328
Wages - Part-Time	15,000	11,840	11,840
Overtime - Street Alley	29,500	20,300	20,073
Premium Overtime	-	7,547	7,547
Stipends	15,300	16,200	16,200
Vehicle Repair and Maintenance	50,000	43,500	44,087
Equipment Repair	55,000	56,200	57,464
Street Construction	115,000	891	891
Street Maintenance and Repair	30,000	2,789	2,789
Alley Maintenance and Repair	10,000	335	335
Equipment Purchase	-	1,896	1,896
Equipment Rental	2,500	-	-
Bulk Waste Disposal	6,000	7,100	6,594
Gravel and Sand	2,000	2,596	2,596
Salt	-	-	(817)
General Supplies	12,000	13,100	12,311
Conventions and Meetings	-	829	829
Training and Schooling	2,000	2,188	2,137
Travel and Lodging	-	460	460
Other Fees and Services	-	4,484	4,484
Total Street and Alley Maintenance	890,612	764,455	768,044

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Public Works - Continued			
Facility Maintenance			
Electric	\$ 1,000	-	1
Water and Sewer	12,000	8,680	8,253
Parks and Lawn Maintenance	40,000	32,000	27,970
Building Capital Improvements	40,000	38,803	38,803
Building/Property Maintenance	25,000	55,000	56,764
General Supplies	18,000	14,500	14,709
Total Facility Maintenance	136,000	148,983	146,500
Total Public Works	1,327,309	1,274,257	1,260,392
Building Standards			
General Activity			
Telephone - Mobile	4,500	3,700	3,693
Telephone - Office	600	440	412
Vehicle Repair and Maintenance	1,500	2,157	2,177
Vehicle Fuel, Gas and Oil	4,000	2,100	2,025
Mileage	250	-	156
Equipment Purchase	1,000	-	-
Office Supplies	4,000	4,800	3,866
Office Equipment Purchase	1,750	2,429	2,429
Office Equipment Repair and Maintenance	2,750	195	195
Postage	1,350	1,682	1,682
Hardware Purchase	1,500	-	-
Demolition	50,000	47,076	49,476
General Supplies	500	450	394
Memberships	500	255	255
Publications, Notices and Legal	-	667	741
Other Fees and Services	90,500	130,200	129,006
Miscellaneous	100	-	(1,400)
Total General Activity	164,800	196,151	195,107

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Building Standards - Continued			
Management			
Literature and Periodicals	\$ 500	-	-
Training and Schooling	2,000	20	20
Travel and Lodging	1,250	-	-
Meals and Per Diem	500	-	-
Miscellaneous	-	-	(283)
Total Management	4,250	20	(263)
Support Staff			
Wages - Support Staff	258,669	262,000	264,015
Wages - Part-Time - Support Staff	40,000	37,400	37,967
Overtime - Support Staff	1,000	5,180	5,061
Stipends	4,800	5,400	5,400
Mileage	3,200	2,650	2,391
Total Support Staff	307,669	312,630	314,834
Planning Commission			
Salary - Plan Commission	1,770	3,548	3,547
Postage	1,500	52	52
Publications and Notices	-	-	(198)
Total Plan Commission	3,270	3,600	3,401
Total Building Standards	479,989	512,401	513,079
Economic Development/Incentive			
General Activity			
Hove Sales Tax Rebate	35,000	35,000	35,000
Information Technology			
General Activity			
Wages - Information Technology	74,438	27,737	27,737
Stipends	2,011	2,011	2,011
Contract Labor	80,000	36,500	30,184
Telephone - Mobile	750	47	47
Tech Support Modem	840	198	198
Internet Access	7,200	8,525	8,525

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Information Technology - Continued			
General Activity - Continued			
Mileage	\$ 300	-	-
Office Supplies	500	1,150	1,010
Software Maintenance	35,000	40,381	22,589
Hardware Maintenance	500	119	572
Department Projects	28,000	6,138	6,138
Software Purchase	500	807	807
Hardware Purchase	20,000	-	-
Meals and Per Diem	500	-	-
Other Fees and Services	-	1,923	1,923
Total Information Technology	250,539	125,536	101,741
Employee Benefits			
Retiree Insurance Contribution	(91,875)	(153,500)	-
Retiree Dental Insurance	31,200	30,923	30,923
Retiree Life Insurance	7,140	6,396	6,396
Retiree Medical Insurance	564,000	549,149	395,139
Optional Insurance Premiums	3,600	3,358	3,407
Retiree Deductible Premiums	55,000	36,000	32,450
Total Employee Benefits	569,065	472,326	468,315
Debt Service			
Principal Payment	-	-	105,420
Total Expenditures	13,723,774	13,040,158	13,392,713

VILLAGE OF BRADLEY, ILLINOIS

Nonmajor Governmental Funds

**Combining Balance Sheet
April 30, 2020**

	Motor Fuel Tax	Foreign Fire Insurance	Special Police Seizure
ASSETS			
Cash and Cash Equivalents	\$ 666,364	51,271	108,061
Receivables - Net of Allowances			
Other Taxes	47,442	-	-
Total Assets	713,806	51,271	108,061
LIABILITIES			
Accounts Payable	1,595	-	4,332
Due to Other Funds	133,046	-	71,791
Total Liabilities	134,641	-	76,123
FUND BALANCES			
Restricted	579,165	51,271	31,938
Unassigned	-	-	-
Total Fund Balances	579,165	51,271	31,938
Total Liabilities and Fund Balances	713,806	51,271	108,061

<u>Revenue</u>					
L Power Rd. TIF	Scrap Metal	Hotel Tax	Debt Service <u>GO Bond</u>	Capital Projects	Totals
26,276	-	-	2,730	389,282	1,243,984
-	-	-	-	-	47,442
<u>26,276</u>	-	-	<u>2,730</u>	<u>389,282</u>	<u>1,291,426</u>
-	-	-	-	15,128	21,055
-	-	8,869	-	-	213,706
-	-	8,869	-	15,128	234,761
26,276	-	-	2,730	374,154	1,065,534
-	-	(8,869)	-	-	(8,869)
<u>26,276</u>	-	<u>(8,869)</u>	<u>2,730</u>	<u>374,154</u>	<u>1,056,665</u>
<u>26,276</u>	-	-	<u>2,730</u>	<u>389,282</u>	<u>1,291,426</u>

VILLAGE OF BRADLEY, ILLINOIS

Nonmajor Governmental Funds - Special Revenue Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2020**

	Motor Fuel Tax	Foreign Fire Insurance	Special Police Seizure
Revenues			
Taxes	\$ -	22,935	-
Intergovernmental	591,375	-	-
Fines and Forfeitures	-	-	23,345
Interest	9,299	74	9
Miscellaneous	-	-	43
Total Revenues	600,674	23,009	23,397
Expenditures			
General Government	-	-	-
Public Safety	-	27,816	11,102
Public Works	569,041	-	-
Capital Outlay	-	-	1,318
Total Expenditures	569,041	27,816	12,420
Excess (Deficiency) of Revenues Over (Under) Expenditures	31,633	(4,807)	10,977
Other Financing Sources (Uses)			
Debt Issuance	-	-	-
Transfers Out	-	-	-
	-	-	-
Net Change in Fund Balances	31,633	(4,807)	10,977
Fund Balances - Beginning	547,532	56,078	20,961
Fund Balances - Ending	579,165	51,271	31,938

<u>Revenue</u>					
L Power Rd. TIF	Scrap Metal	Hotel Tax	Debt Service <u>GO Bond</u>	Capital Projects	Totals
2,187	-	-	-	254,633	279,755
-	-	-	-	-	591,375
-	-	-	-	-	23,345
24	-	-	-	346	9,752
-	-	-	-	4,422	4,465
2,211	-	-	-	259,401	908,692
-	-	8,869	-	-	8,869
-	-	-	-	-	38,918
-	-	-	-	-	569,041
-	-	-	-	1,417,113	1,418,431
-	-	8,869	-	1,417,113	2,035,259
2,211	-	(8,869)	-	(1,157,712)	(1,126,567)
-	-	-	-	1,100,000	1,100,000
-	(19,656)	-	-	-	(19,656)
-	(19,656)	-	-	1,100,000	1,080,344
2,211	(19,656)	(8,869)	-	(57,712)	(46,223)
24,065	19,656	-	2,730	431,866	1,102,888
26,276	-	(8,869)	2,730	374,154	1,056,665

VILLAGE OF BRADLEY, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 419,849	549,515	591,375
Interest	9,000	9,250	9,299
Total Revenues	<u>428,849</u>	<u>558,765</u>	<u>600,674</u>
Expenditures			
Public Works			
Annual Maintenance - Contractors	315,000	379,119	379,119
Annual Maintenance - Engineers	70,000	68,976	68,976
Electric - Street Lights	110,000	-	-
Road Signs	10,000	6,978	7,226
Equipment and Machinery	25,000	11,250	11,250
Salt	100,000	102,470	102,470
Total Expenditures	<u>630,000</u>	<u>568,793</u>	<u>569,041</u>
Net Change in Fund Balance	<u>(201,151)</u>	<u>(10,028)</u>	31,633
Fund Balance - Beginning			<u>547,532</u>
Fund Balance - Ending			<u>579,165</u>

VILLAGE OF BRADLEY, ILLINOIS

Foreign Fire Insurance - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 20,500	22,935	22,935
Interest	42	75	74
Total Revenues	20,542	23,010	23,009
Expenditures			
Public Safety			
General Supplies	10,000	5,675	27,816
Net Change in Fund Balance	10,542	17,335	(4,807)
Fund Balance - Beginning			56,078
Fund Balance - Ending			51,271

VILLAGE OF BRADLEY, ILLINOIS

Police Seizure - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Fines and Forfeitures	\$ 5,000	8,345	23,345
Interest	60	10	9
Miscellaneous	1,000	45	43
Total Revenues	<u>6,060</u>	<u>8,400</u>	<u>23,397</u>
Expenditures			
Public Safety			
Fees and Services	250	10,217	11,102
Capital Outlay	5,000	1,318	1,318
Total Expenditures	<u>5,250</u>	<u>11,535</u>	<u>12,420</u>
Net Change in Fund Balance	<u>810</u>	<u>(3,135)</u>	10,977
Fund Balance - Beginning			<u>20,961</u>
Fund Balance - Ending			<u>31,938</u>

VILLAGE OF BRADLEY, ILLINOIS

L Power Rd. TIF - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 2,500	2,187	2,187
Interest	40	25	24
Total Revenues	<u>2,540</u>	<u>2,212</u>	<u>2,211</u>
Expenditures			
Public Works			
Fees and Services	<u>1,500</u>	<u>79</u>	<u>-</u>
Net Change in Fund Balance	<u>1,040</u>	<u>2,133</u>	2,211
Fund Balance - Beginning			<u>24,065</u>
Fund Balance - Ending			<u>26,276</u>

VILLAGE OF BRADLEY, ILLINOIS

Hotel Tax - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Miscellaneous	\$ -	-	-
Expenditures			
General Government			
Electric	-	10,000	6,918
Building Repair and Maintenance	-	2,200	1,951
	-	12,200	8,869
Net Change in Fund Balance	-	(12,200)	(8,869)
Fund Balance - Beginning			-
Fund Balance - Ending			(8,869)

VILLAGE OF BRADLEY, ILLINOIS

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2020

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 195,000	271,295	254,633
Intergovernmental	1,037,560	-	-
Interest	325	357	346
Miscellaneous	5,000	4,422	4,422
Total Revenues	<u>1,237,885</u>	<u>276,074</u>	<u>259,401</u>
Expenditures			
Capital Outlay	<u>1,418,200</u>	<u>1,331,059</u>	<u>1,417,113</u>
Excess (Deficiency) of Revenues Over Expenditures	(180,315)	(1,054,985)	(1,157,712)
Other Financing Sources			
Debt Issuance	<u>-</u>	<u>1,100,000</u>	<u>1,100,000</u>
Net Change in Fund Balance	<u>(180,315)</u>	<u>45,015</u>	<u>(57,712)</u>
Fund Balance - Beginning			<u>431,866</u>
Fund Balance - Ending			<u><u>374,154</u></u>

VILLAGE OF BRADLEY, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 2,057,000	2,010,567	2,056,721
Other Revenue	-	-	31,719
Total Operating Revenues	<u>2,057,000</u>	<u>2,010,567</u>	<u>2,088,440</u>
Operating Expenses			
Operations			
Operations and Management			
General Activity	1,484,140	1,452,006	1,454,476
Management	52,493	52,502	52,815
Support Staff	99,658	107,332	121,235
Sewer Maintenance	500,351	400,039	471,807
Depreciation	369,000	-	322,992
Amortization	(500)	(14,030)	(14,030)
Total Operating Expenses	<u>2,505,142</u>	<u>1,997,849</u>	<u>2,409,295</u>
Operating Income (Loss)	<u>(448,142)</u>	<u>12,718</u>	<u>(320,855)</u>
Nonoperating Revenues (Expenses)			
Tap-On Fees	20,000	48,500	48,500
Interest	-	-	5
Other Revenue	876,000	903,000	921,506
Interest and Fiscal Charges	(137,900)	(137,900)	(134,648)
	<u>758,100</u>	<u>813,600</u>	<u>835,363</u>
Change in Net Position	<u>309,958</u>	<u>826,318</u>	514,508
Net Position - Beginning			<u>829,480</u>
Net Position - Ending			<u>1,343,988</u>

VILLAGE OF BRADLEY, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Operations and Maintenance			
General Activity			
Telephone - Office	\$ 7,440	3,300	3,219
J.U.L.I.E. Locates	5,000	2,753	2,753
Electric	9,000	9,200	9,149
Water and Sewer	950	1,075	1,093
Vehicle Fuel, Gas and Oil	10,000	6,350	5,947
Equipment Repair	5,000	3,650	3,147
Equipment Purchase	-	22,887	22,887
Office Supplies	1,300	164	164
Software Maintenance	-	10,305	10,305
Postage	32,000	30,757	30,655
Software Purchase	23,750	-	2,501
Building Repair and Maintenance	5,000	705	817
General Supplies	7,000	4,700	4,230
Audit Fees	8,000	8,000	8,000
Engineering Service	76,000	18,500	19,864
Other Fees and Services	38,500	60,100	59,903
Lien Filing Fee	-	2,137	2,419
Metro Sewer Service	1,255,200	1,267,200	1,267,200
Chemicals	-	223	223
Total General Activity	<u>1,484,140</u>	<u>1,452,006</u>	<u>1,454,476</u>
Management			
Salary - Management	50,593	50,915	51,306
Telephone - Mobile	1,400	1,587	1,509
Vehicle Repair and Maintenance	500	-	-
Total Management	<u>52,493</u>	<u>52,502</u>	<u>52,815</u>
Support Staff			
Wages - Support Staff	88,858	96,185	110,586
Overtime - Support Staff	9,000	8,781	8,283
Premium Overtime	-	566	566
Stipends	1,800	1,800	1,800
Total Support Staff	<u>99,658</u>	<u>107,332</u>	<u>121,235</u>

VILLAGE OF BRADLEY, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Operations and Maintenance - Continued			
Sewer Maintenance			
Wages - Sewer Maintenance	\$ 240,822	197,130	219,584
Overtime - Sewer Maintenance	7,500	5,400	5,347
Premium Overtime	5,500	2,808	2,808
Stipends	5,850	5,850	5,850
Vehicle Repair and Maintenance	6,000	3,223	3,223
Equipment Repair	7,500	21,000	19,316
Equipment Purchase	2,500	-	-
Equipment Rental	1,000	-	-
Department Projects	10,000	4,100	3,905
Sewer Main Maintenance	-	-	18,366
Gravel and Sand	2,000	-	-
General Supplies	8,000	5,150	4,796
Vacation Buyback	8,891	-	-
Employee Insurance Contribution	-	(21,077)	-
Dental Insurance	3,600	4,291	4,291
Life Insurance and STD	1,050	796	796
Medical Insurance	108,809	91,488	83,671
IMRF	42,896	39,453	70,172
FICA	24,178	21,621	21,621
Medicare	5,655	5,056	5,056
Compensated Absences	-	-	(9,848)
Training and Schooling	1,000	-	-
Meal and Per Diem	100	-	-
Chemicals	7,500	13,750	12,853
Total Sewer Maintenance	500,351	400,039	471,807
Total Operations and Maintenance	2,136,642	2,011,879	2,100,333
Depreciation	369,000	-	322,992
Amortization	(500)	(14,030)	(14,030)
Total Operating Expenses	2,505,142	1,997,849	2,409,295

VILLAGE OF BRADLEY, ILLINOIS

Pension Trust Funds

**Combining Statement of Fiduciary Net Position
April 30, 2020**

	Pension Trust		
	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 261,203	186,301	447,504
Investments			
U.S. Treasury Obligations	1,074,761	68,707	1,143,468
U.S. Agency Obligations	5,263,231	7,750	5,270,981
Corporate Bonds	1,339,012	892,959	2,231,971
Municipal Bonds	902,354	176,826	1,079,180
Mutual Funds	11,045,199	148,121	11,193,320
Receivables - Net of Allowance			
Accrued Interest	59,182	-	59,182
Due from Other Funds	24,129	5,744	29,873
Prepays	530	-	530
Total Assets	19,969,601	1,486,408	21,456,009
LIABILITIES			
Accounts Payable	4,649	-	4,649
NET POSITION			
Net Position Restricted for Pensions	19,964,952	1,486,408	21,451,360

VILLAGE OF BRADLEY, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2020**

	Pension Trust		Totals
	Police Pension	Firefighters' Pension	
Additions			
Contributions - Employer	\$ 1,091,372	147,727	1,239,099
Contributions - Plan Members	315,095	36,232	351,327
Total Contributions	1,406,467	183,959	1,590,426
Investment Income			
Interest Earned	3,901	38,326	42,227
Net Change in Fair Value	548,430	18,555	566,985
	552,331	56,881	609,212
Less Investment Expenses	(49,434)	(6,621)	(56,055)
Net Investment Income	502,897	50,260	553,157
Total Additions	1,909,364	234,219	2,143,583
Deductions			
Administration	42,962	1,929	44,891
Benefits and Refunds	1,174,358	-	1,174,358
Total Deductions	1,217,320	1,929	1,219,249
Changes in Fiduciary Net Position	692,044	232,290	924,334
Net Position Restricted for Pensions			
Beginning	19,272,908	1,254,118	20,527,026
Ending	19,964,952	1,486,408	21,451,360

VILLAGE OF BRADLEY, ILLINOIS

**Consolidated Year-End Financial Report
April 30, 2020**

CSFA #	Program Name	State	Federal	Other	Totals
494-00-1488	Motor Fuel Tax Program	\$ 564,526	-	-	564,526
494-00-0967	High-Growth Cities Program	4,515	-	-	4,515
	Other Grant Programs and Activities	-	13,184	12,420	25,604
	All Other Costs Not Allocated	-	-	19,373,553	19,373,553
	Totals	<u>569,041</u>	<u>13,184</u>	<u>19,385,973</u>	<u>19,968,198</u>

SUPPLEMENTAL SCHEDULES

VILLAGE OF BRADLEY, ILLINOIS

Schedule of Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2015A
April 30, 2020**

Date of Issue	September 23, 2015
Date of Maturity	December 1, 2030
Authorized Issue	\$4,475,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago, IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2021	\$ 270,000	130,100	400,100
2022	275,000	122,000	397,000
2023	280,000	113,750	393,750
2024	290,000	105,350	395,350
2025	300,000	95,200	395,200
2026	315,000	83,200	398,200
2027	325,000	70,600	395,600
2028	340,000	57,600	397,600
2029	350,000	44,000	394,000
2030	370,000	30,000	400,000
2031	380,000	15,200	395,200
	<u>3,495,000</u>	<u>867,000</u>	<u>4,362,000</u>

VILLAGE OF BRADLEY, ILLINOIS

Schedule of Long-Term Debt Requirements

**Tax Increment Revenue Refunding Bonds of 2018A
April 30, 2020**

Date of Issue	December 27, 2018
Date of Maturity	January 1, 2027
Authorized Issue	\$3,530,000
Denomination of Bonds	\$5,000
Interest Rate	6.10%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago, IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2021	\$ 380,000	159,000	539,000
2022	400,000	140,000	540,000
2023	425,000	120,000	545,000
2024	455,000	98,750	553,750
2025	485,000	76,000	561,000
2026	505,000	51,750	556,750
2027	530,000	26,500	556,500
	<u>3,180,000</u>	<u>672,000</u>	<u>3,852,000</u>

VILLAGE OF BRADLEY, ILLINOIS

Schedule of Long-Term Debt Requirements

**Motorola Installment Contract of 2019
April 30, 2020**

Date of Issue	May 13, 2019
Date of Maturity	June 1, 2021
Original Contract	\$304,280
Interest Rate	3.99%
Interest Dates	June 1
Principal Maturity Date	June 1
Payable at	Motorola Solutions Credit Company LLC

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2021	\$ 97,485	7,935	105,420
2022	101,375	4,045	105,420
	<u>198,860</u>	<u>11,980</u>	<u>210,840</u>

VILLAGE OF BRADLEY, ILLINOIS

Schedule of Long-Term Debt Requirements

**Promissory Note of 2019
April 30, 2020**

Date of Issue	December 13, 2019
Date of Maturity	December 1, 2025
Authorized Issue	\$1,100,000
Interest Rate	3.15%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Federated Bank of Bradley, IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2021	\$ -	35,131	35,131
2022	-	35,131	35,131
2023	366,667	32,196	398,863
2024	366,667	20,549	387,216
2025	366,666	8,775	375,441
	<u>1,100,000</u>	<u>131,782</u>	<u>1,231,782</u>