

VILLAGE OF BRADLEY, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED

APRIL 30, 2017

VILLAGE OF BRADLEY, ILLINOIS

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INTRODUCTORY SECTION

VILLAGE OF BRADLEY, ILLINOIS

**List of Principal Officials
April 30, 2017**

LEGISLATIVE

Mayor: Bruce Adams

Village Clerk: Michael LaGesse

BOARD OF TRUSTEES

Mike M. Watson

Lori A. Gladbois

Gerald L. Balthazor

Eric P. Cyr

Bob R. Bredmond

Melissa A. Caricco

ADMINISTRATIVE

Village Manager

Lisa M. Powers

Building Standards Supt/Zoning Administrator

Don Pallissard

Interim Director of Public Works

Dennis Peters

Chief of Police

Michael Johnston

Fire Chief

James Travis

Finance Director

Mark A. Pries

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

June 20, 2018

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, 2017, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 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 combining and individual fund financial statements and budgetary comparison schedules, and supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and budgetary comparison schedules 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and budgetary comparison schedules 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

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2017

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, 2017. 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 exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$2,756,191 (net position). This is a decrease of \$1,157,695 from Fiscal Year 2016's (FY16's) net position. This decrease is mainly caused by a decrease in cash balance by the Village's business-type activities (Sewer System) of \$131,829 as well as annual depreciation on the Village's aging capital assets.
- The Village of Bradley's business-type activities saw a decrease in net position of \$612,677. This decrease was due to the current rate structure being inadequate to fund the current operations of the sewer system. Sewer charges for services totaled \$1,479,738 while operating expenses totaled \$2,428,436. The Sewer Fund also received \$399,363 of property taxes during the fiscal year. The financial health of the sewer system remains a top priority of Village staff and elected officials.
- As of the close of the current fiscal year, the Village of Bradley's General Fund reported a fund balance of \$7,157,255, a decrease of \$337,065 from the prior year. The majority of this decrease comes from a decrease in total General Fund assets (\$473,001 decrease). This includes a cash balance that declined by about \$500,000 from prior year. The General Fund saw a net decrease in fund balance during the year of \$337,547. This includes a onetime financing source related to the sale of Village properties of \$229,547. When adjusting for that one time revenue, the General Fund had a deficiency of revenues under expenditures of \$566,612. Village staff and elected officials are in the process of planning for the long term financial health of the General Fund.
- The Village of Bradley's governmental activity debt decreased by \$348,083 during the current fiscal year and business-type debt decreased by \$283,549. These reductions were the result of regularly scheduled principal payments.
- The State Rte. 50 TIF ended the fiscal year with a fund balance of \$985,884. This is a decrease of \$14,703 from the previous year. At fiscal year end, the State Rte. 50 TIF recognized a liability due to other taxing bodies of \$871,943. This liability was previously unrecognized by the Village.

VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2017

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, Building Standards, 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 several 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, the Revolving Loan Fund, and the State Rte. 50 TIF Fund, all of which are considered to be major funds. Information from the Village's other 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, 2017

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. Nonmajor fund information can be found immediately following the required supplementary information.

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2017**

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	
	2016	2017	2016	2017	2016	2017
Assets:						
Current and Other	\$ 14,602,738	\$ 14,529,586	\$ 909,281	\$ 663,782	\$ 15,512,019	\$ 15,193,368
Capital	22,169,357	21,451,670	6,254,603	5,718,029	28,423,960	27,169,699
Total Assets	<u>36,772,095</u>	<u>35,981,256</u>	<u>7,163,884</u>	<u>6,381,811</u>	<u>43,935,979</u>	<u>42,363,067</u>
Deferred Outflows:						
Pensions	2,376,247	2,301,048	35,014	108,541	2,411,261	2,409,589
Total Deferred Outflows	<u>2,376,247</u>	<u>2,301,048</u>	<u>35,014</u>	<u>108,541</u>	<u>2,411,261</u>	<u>2,409,589</u>
Liabilities:						
Current Liabilities	5,050,083	5,852,762	386,146	420,577	5,436,229	6,273,339
Long-term Liabilities	29,051,791	27,216,564	4,687,138	4,549,523	33,738,929	31,766,087
Total Liabilities	<u>34,101,874</u>	<u>33,069,326</u>	<u>5,073,284</u>	<u>4,970,100</u>	<u>39,175,158</u>	<u>38,039,426</u>
Deferred Inflows:						
Unavailable Real Estate						
Taxes	2,087,642	2,088,894	399,126	400,803	2,486,768	2,489,697
Pensions	66,253	1,355,077	203	5,841	1,360,918	1,360,918
Total Deferred Inflows	<u>2,153,895</u>	<u>3,443,971</u>	<u>399,329</u>	<u>406,644</u>	<u>2,486,768</u>	<u>3,850,615</u>
Net Position:						
Net Investment in Capital						
Assets	7,866,657	7,630,658	1,310,290	1,205,573	9,176,947	8,836,231
Restricted for						
Economic Development	17,273	53,499			17,273	53,499
Street Maintenance	545,718	519,779			545,718	519,779
Capital Projects	179,043	174,975			179,043	174,975
Infrastructure/Develop	149,373	165,399			149,373	165,399
Parks	200,473	200,473			200,473	200,473
Public Safety	60,181	55,147			60,181	55,147
Unrestricted	<u>(6,126,145)</u>	<u>(7,157,347)</u>	<u>415,995</u>	<u>(91,965)</u>	<u>(5,710,150)</u>	<u>(7,249,312)</u>
Total Net Position	<u>\$ 2,892,573</u>	<u>\$ 1,642,583</u>	<u>\$ 1,726,285</u>	<u>\$ 1,113,608</u>	<u>\$ 4,618,858</u>	<u>\$ 2,756,191</u>

VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2017

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.

Statement of Activities

The following table reflects the condensed Statement of Activities:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2017	2016	2017	2016	2017
REVENUES						
Program Revenues:						
Charges for Services	\$ 1,388,964	\$ 1,392,879	\$ 1,535,410	\$ 1,575,963	\$ 2,924,374	\$ 2,968,842
Capital Grants/ Contributions						
Operating Grants/ Contributions	465,395	447,983			465,395	447,983
General Revenues:						
Property Taxes	3,180,356	3,327,620	425,170	399,363	3,605,526	3,726,983
Other Taxes	8,896,264	8,500,932			8,896,264	8,500,932
Other General Revenue	162,306	94,005	80,437	271	242,743	94,276
Total Revenues	14,093,285	13,763,419	2,041,017	1,975,597	16,134,302	15,739,016
EXPENSES						
General Government	3,087,692	4,716,495			3,087,692	4,716,495
Public Safety	8,185,693	5,559,667			8,185,693	5,559,667
Public Works	2,132,743	1,878,397			2,132,743	1,878,397
Public Property	-	-				
Building Standards Community	652,938	544,464			652,938	544,464
Development	35,341	192,666			35,341	192,666
Interest on Debt	957,015	829,991			957,015	829,991
Employee Benefits	615,258	586,757			615,258	586,757
Sewer			2,349,386	2,588,274	2,349,386	2,588,274
Total Expenses	15,666,680	14,308,437	2,349,386	2,588,274	18,016,066	16,896,711
Changes in Net Position Before Transfers	(1,573,395)	(545,018)	(308,369)	(612,677)	(1,881,764)	(1,157,695)
Transfers						
Change in Net Position	\$ (1,573,395)	\$ (545,018)	\$ (308,369)	\$ (612,677)	\$ (1,881,764)	\$ (1,157,695)

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2017**

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

Governmental activities net position decreased in FY17 by \$545,018. Intergovernmental taxes decreased from prior year. Sales and use taxes decreased by \$234,441 and income taxes decreased by \$216,087 from FY16 to FY17. The reductions were the result of retail store closures and State of Illinois withholdings, respectively. Total governmental activity expenses decreased by \$1,358,243 from prior year. This was the intended result of deferred capital spending and conservative budgeting.

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

The total change in net position for the business-type activities is (\$612,677). Charges for services are not sufficient to cover operating expenses. The net operating loss for the fiscal year was (\$874,873). Charges for services decreased by \$13,291 while annual expenses increased by \$347,836. There were no capital purchases made in FY17 as the Village continued discussions on the future financial stability of the Sewer Fund.

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 \$6,624,844 while the total fund balance decreased to \$7,157,255. This was a decrease of \$337,065 from FY16.

The Revolving Loan Fund wrote off \$5,000 of bad debts and received \$6,000 in interest on the economic development loans the Village administers as part of a program through the State of Illinois Department of Commerce and Economic Opportunity. This loan program is funded by monies from the State of Illinois and from the interest proceeds received from loans. Following fiscal year end, the Village has been notified by the Department of Commerce and Economic Opportunity that funding for this program has been recalled and the fund is in the process of closing.

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 \$1,210,239 and expenditures totaled \$1,224,942, leaving it with a year-end fund balance of \$985,884, a decrease of \$14,703 from the prior year. At fiscal year end, the fund recognized a liability payable to the other taxing bodies of \$871,943.

The non-major governmental funds saw an overall increase in fund balance of \$17,791. Financial highlights in the various funds that comprise the non-major governmental funds are as follows:

- Debt Service Fund's fund balance was \$2,730 at the end of FY17, unchanged from the prior fiscal year as there is no outstanding G.O. debt for the Village.
- The L. Power Rd. TIF Fund finished the year with a fund balance of \$19,535, an increase of \$2,262 from the year before. There are no current improvements projects approved for this TIF as the recession from 2007 and 2008 significantly impacted the planned improvements of this area.
- The Scrap Metal Fund took in less than \$1,000 during the year. This accounts for recycled metal scraps collected by the Building Standards and Public Works departments. Funds will be used to purchase small, low cost equipment or materials.
- 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 \$17,956.

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2017**

- 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 increase \$8,744 to ending balance of \$34,941.
- The Capital Projects Fund accounts for the street and alley program. Each year, the Village addresses areas that needed significant improvements in either curbs, sidewalks or alleys with this fund. This also includes the Route 50 multi-use path, which saw further improvements during the year. The Route 50 multi-use path is an ongoing project that is partially funded by a grant from the State of Illinois. The main revenue source for the Capital Projects Fund are video gaming taxes. In FY17, the Capital Projects Fund fund balance increased \$47,600, from \$127,375 to \$174,975.
- The Motor Fuel Tax Fund continued its annual road overlay program, spending \$436,826. The Motor Fuel Tax fund finished FY17 with a fund balance of \$554,717.
- The Cell Tower Fund accounts for the lease revenues realized from cell towers placed on Village property. This revenue source has been committed by the Village's board for use on economic development. \$33,066 in revenue was recognized during the year, along with \$51,450 in expenditures, leaving the fund with a fund balance of \$14,378.

Proprietary Funds

The Sewer Fund ended the fiscal year with (\$91,965) in unrestricted net position, down from \$415,995 at April 30, 2016 and from \$634,430 at April 30, 2015. The Sewer Fund's charges for services remained flat at \$1,479,738. Operating expenses increased by \$347,736 as compared to the prior fiscal year, and the change in net position for the current year was a decrease of \$612,677. Current charges for services did not cover operating costs. Village staff and elected officials continued to create a plan to bring financial health to the Sewer Fund.

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2017**

GENERAL FUND BUDGETARY HIGHLIGHTS

The following table reflects the condensed Budgetary Comparison Schedule:

	Original Budget	Final Budget	Actual
Revenues:			
Taxes	\$ 11,355,973	\$ 11,355,973	\$ 10,424,115
Licenses and Permits	277,275	277,275	263,833
Intergovernmental	298,124	318,124	13,263
Charges for Services	363,400	363,400	426,289
Fines and Forfeits	306,000	306,000	323,947
Investment Income	40,100	40,100	30,209
Other	341,800	351,800	377,165
Total Revenues	<u>12,982,672</u>	<u>13,012,672</u>	<u>11,858,821</u>
Expenditures:			
General Government	3,195,069	3,206,204	4,339,043
Public Safety	6,476,487	6,479,987	5,189,081
Public Works	2,152,548	2,166,533	1,516,622
Building Standards	733,885	761,360	587,774
Economic Incentive/Development	-	-	-
Information Technology	163,182	180,182	159,686
Debt Service	-	-	46,470
Employee Benefits	512,500	590,000	586,757
Total Expenditures	<u>13,233,671</u>	<u>13,384,266</u>	<u>12,425,433</u>
Excess (Deficiency) of Revenues over Expenditures	(250,999)	(371,594)	(566,612)
Other Financing Sources			
Disposal of Capital Assets	-	229,000	229,547
Net Change in Fund Balance	<u>\$ (250,999)</u>	<u>\$ (142,594)</u>	<u>\$ (337,065)</u>

The General Fund revenues were \$1,153,851 under budget in FY17. A large portion of this was comprised of a \$318,124 budget for grant revenue, of which the Village received \$13,263. The Fire Department applied for a grant to purchase several large capital items, but was not successful. Sales Tax revenue came in \$754,819 under budget. This was due to lower economic activity in the Village and the closure of some retail operations. The Village received \$263,833 of Licenses and Permits revenue during the fiscal year. This is a decrease of \$15,273 from FY16. Charges for Services came in over budget due to ambulance revenues coming in \$56,794 higher than budgeted. Fines and Forfeitures were \$17,947 over budget due to adjudication court receipts and circuit court fines coming in better than expected. Investment Income remains low due to historically low interest rates and declining market values on fixed income investments. Finally, other income was higher than budget due to better than anticipated due to several generous donations to the Police and Fire Department.

The General Fund expenditures were \$958,833 under budget in FY17. A significant factor for this was deferred capital spending. Within General Government, building and property improvements came in \$299,216 under budget. Additional budget savings were realized due to employee vacancies, such as the Village Attorney for a significant period during the year. Also, several large capital purchases within the Fire Department that were grant funding dependent did not occur. During the fiscal year, the Village consolidated employee benefit costs such as insurance, IMRF, and FICA. Actual expenditures for these benefits ran very close to budget in total. Paid-on-call firefighter personnel costs were \$69,274 under budget. Several other areas such as fuel for vehicles, office supplies and training saw minor savings. All other areas in the General Fund ran very close to budget.

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2017**

CAPITAL ASSET AND DEBT ADMINISTRATION

**Governmental Activities
Change in Capital Assets**

	Balance May 1, 2016	Net Additions/ Deletions	Balance April 30, 2017
Non-Depreciable Assets:			
Land	\$ 6,494,488	\$	\$ 6,494,488
Other Capital Assets:			
Building	6,986,972	-	6,986,972
Equipment	7,671,228	267,148	7,938,376
Infrastructure	15,218,781	117,914	15,336,695
Accumulated Depreciation on Capital Assets	(14,462,141)	(969,144)	(15,431,285)
Total	\$ 21,909,328	\$ (584,082)	\$ 21,325,246

The Village of Bradley's investment in capital assets for its governmental activities as of April 30, 2017, was \$21,325,246 (net of accumulated depreciation). This investment in capital assets includes property and improvements, equipment, facilities and infrastructure. In FY17, the Village of Bradley's capital assets, net of accumulated depreciation, decreased by \$584,082. Due to budget constraints, capital spending was limited during FY17. There were \$385,062 in additions with no deletions and depreciation of \$969,144. Significant fixed asset additions included playground equipment for Blatt Park, two new pick-up trucks and one new SUV.

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

	Balance May 1, 2016	Net Additions/ Deletions	Balance April 30, 2017
Other Capital Assets:			
Property, Plant and Equipment	\$ 12,969,835	\$	\$ 12,969,835
Accumulated Depreciation on Capital Assets	(6,863,540)	(388,266)	(7,251,806)
Total	\$ 6,106,295	\$ (388,266)	\$ 5,718,029

The Village of Bradley's investment in capital assets for its business-type activities as of April 30, 2017, was \$5,718,029 (net of accumulated depreciation). This investment in capital assets includes property, plant and equipment which included vehicles and infrastructure (e.g. sanitary sewer lines). There were no asset additions or deletions in the Sewer Fund in FY17.

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2017**

The Village of Bradley has no large future construction commitments that impact the budgeting process or financial activity of the Sewer Fund.

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

Debt Administration

The Village did not issue nor refund any debt during FY17. The Village receives a credit rating from Standard and Poors of 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 \$22,288,369. Currently, the Village has no outstanding general obligation debt. However, the Sewer bonds issued in 2006 and the 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 2010 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. There were no fee increases put into place for FY18.

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, 2017**

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 9,582,063	-	9,582,063
Receivables - Net of Allowances	4,490,043	576,167	5,066,210
Internal Balances	131,829	(131,829)	-
Prepays/Inventories	199,227	-	199,227
Total Current Assets	<u>14,403,162</u>	<u>444,338</u>	<u>14,847,500</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	6,494,488	-	6,494,488
Depreciable	30,262,043	12,969,835	43,231,878
Accumulated Depreciation	(15,431,285)	(7,251,806)	(22,683,091)
Total Capital Assets	<u>21,325,246</u>	<u>5,718,029</u>	<u>27,043,275</u>
Other Noncurrent Assets			
Loans Receivable	126,424	-	126,424
Due from Joint Venture	-	219,444	219,444
Total Other Noncurrent Assets	<u>126,424</u>	<u>219,444</u>	<u>345,868</u>
Total Noncurrent Assets	<u>21,451,670</u>	<u>5,937,473</u>	<u>27,389,143</u>
Total Assets	<u>35,854,832</u>	<u>6,381,811</u>	<u>42,236,643</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	696,851	108,541	805,392
Deferred Items - Police Pension	1,245,682	-	1,245,682
Deferred Items - Firefighters' Pension	358,515	-	358,515
Total Deferred Outflows of Resources	<u>2,301,048</u>	<u>108,541</u>	<u>2,409,589</u>
Total Assets and Deferred Outflows of Resources	<u>38,155,880</u>	<u>6,490,352</u>	<u>44,646,232</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	\$ 1,242,819	30,912	1,273,731
Accrued Payroll	156,240	4,345	160,585
Deposits Payable	4,705	-	4,705
Other Payables	55,200	-	55,200
Accrued Interest Payable	3,783,610	63,920	3,847,530
Current Portion of Long-Term Liabilities	610,188	321,400	931,588
Total Current Liabilities	<u>5,852,762</u>	<u>420,577</u>	<u>6,273,339</u>
Noncurrent Liabilities			
Compensated Absences Payable	1,052,910	61,456	1,114,366
Net Pension Liability - IMRF	1,808,216	281,647	2,089,863
Net Pension Liability - Police Pension	9,822,000	-	9,822,000
Net Pension Liability - Firefighters' Pension	903,166	-	903,166
Net Other Post-Employment			
Benefit Obligation Payable	282,645	-	282,645
Capital Leases Payable	27,658	196,420	224,078
Tax Increment Revenue Bonds Payable - Net	4,223,796	-	4,223,796
Tax Increment Revenue Notes Payable	9,096,173	-	9,096,173
General Obligation Bonds Payable - Net	-	4,010,000	4,010,000
Total Noncurrent Liabilities	<u>27,216,564</u>	<u>4,549,523</u>	<u>31,766,087</u>
Total Liabilities	<u>33,069,326</u>	<u>4,970,100</u>	<u>38,039,426</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	2,088,894	400,803	2,489,697
Deferred Items - IMRF	37,499	5,841	43,340
Deferred Items - Police Pension	1,189,136	-	1,189,136
Deferred Items - Firefighters' Pension	128,442	-	128,442
Total Deferred Inflows of Resources	<u>3,443,971</u>	<u>406,644</u>	<u>3,850,615</u>
Total Liabilities and Deferred Inflows of Resources	<u>36,513,297</u>	<u>5,376,744</u>	<u>41,890,041</u>
NET POSITION			
Net Investment in Capital Assets	7,630,658	1,205,573	8,836,231
Restricted - Economic Development	53,499	-	53,499
Restricted - Street Maintenance	519,779	-	519,779
Restricted - Capital Projects	174,975	-	174,975
Restricted - Infrastructure/Development	165,399	-	165,399
Restricted - Parks	200,473	-	200,473
Restricted - Public Safety	55,147	-	55,147
Unrestricted	<u>(7,157,347)</u>	<u>(91,965)</u>	<u>(7,249,312)</u>
Total Net Position	<u>1,642,583</u>	<u>1,113,608</u>	<u>2,756,191</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, 2017

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants/ Contributions
Governmental Activities			
General Government	\$ 4,556,809	373,592	13,170
Public Safety	5,559,667	798,263	8,842
Public Works	1,878,397	10,240	425,971
Building Standards	544,464	210,784	-
Economic Development/Incentive	192,666	-	-
Information Technology	159,686	-	-
Employee Benefits	586,757	-	-
Interest on Long-Term Debt	829,991	-	-
Total Governmental Activities	14,308,437	1,392,879	447,983
Business-Type Activities			
Sewer	2,588,274	1,575,963	-
Total Primary Government	16,896,711	2,968,842	447,983

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 as Restated

Net Position - Ending

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

Net (Expense)/Revenue		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
(4,170,047)	-	(4,170,047)
(4,752,562)	-	(4,752,562)
(1,442,186)	-	(1,442,186)
(333,680)	-	(333,680)
(192,666)	-	(192,666)
(159,686)	-	(159,686)
(586,757)	-	(586,757)
(829,991)	-	(829,991)
(12,467,575)	-	(12,467,575)
-	(1,012,311)	(1,012,311)
(12,467,575)	(1,012,311)	(13,479,886)
3,327,620	399,363	3,726,983
6,788,738	-	6,788,738
1,395,071	-	1,395,071
317,123	-	317,123
42,128	271	42,399
51,877	-	51,877
11,922,557	399,634	12,322,191
(545,018)	(612,677)	(1,157,695)
2,187,601	1,726,285	3,913,886
1,642,583	1,113,608	2,756,191

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

VILLAGE OF BRADLEY, ILLINOIS

**Balance Sheet - Governmental Funds
April 30, 2017**

	General	Special Revenue		Nonmajor	Totals
		Revolving Loan	State Rte. 50 TIF		
ASSETS					
Cash and Cash Equivalents	\$ 4,929,814	1,873,347	1,864,002	914,900	9,582,063
Receivables - Net of Allowances					
Property Taxes	2,088,894	-	-	-	2,088,894
Other Taxes	2,321,261	-	-	55,953	2,377,214
Loans	-	126,424	-	-	126,424
Accounts	23,897	-	-	-	23,897
Due from Other Funds	297,665	-	-	-	297,665
Prepays	164,289	-	-	34,938	199,227
Total Assets	9,825,820	1,999,771	1,864,002	1,005,791	14,695,384
LIABILITIES					
Accounts Payable	363,526	-	871,943	7,350	1,242,819
Accrued Payroll	156,240	-	-	-	156,240
Deposits Payable	4,705	-	-	-	4,705
Other Payables	55,200	-	-	-	55,200
Due to Other Funds	-	-	6,175	159,623	165,798
Total Liabilities	579,671	-	878,118	166,973	1,624,762
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	2,088,894	-	-	-	2,088,894
Total Liabilities and Deferred Inflows of Resources	2,668,565	-	878,118	166,973	3,713,656
FUND BALANCES					
Nonspendable	164,289	-	-	34,938	199,227
Restricted	368,122	-	-	803,880	1,172,002
Committed	-	1,999,771	985,884	-	2,985,655
Unassigned	6,624,844	-	-	-	6,624,844
Total Fund Balances	7,157,255	1,999,771	985,884	838,818	10,981,728
Total Liabilities, Deferred Inflows of Resources and Fund Balances	9,825,820	1,999,771	1,864,002	1,005,791	14,695,384

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, 2017

Total Governmental Fund Balances \$ 10,981,728

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. 21,325,246

Deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Deferred Items - IMRF 659,352

Deferred Items - Police Pension 56,546

Deferred Items - Firefighters' Pension 230,073

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 (1,316,137)

Net Pension Liability - IMRF (1,808,216)

Net Pension Liability - Police Pension (9,822,000)

Net Pension Liability - Firefighters' Pension (903,166)

Net Other Post-Employment Benefit Obligation Payable (282,645)

Tax Increment Revenue Bonds Payable - Net (4,543,796)

Tax Increment Revenue Notes Payable (9,096,173)

Capital Leases Payable (54,619)

Accrued Interest Payable (3,783,610)

Net Position of Governmental Activities 1,642,583

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, 2017**

	General	Special Revenue		Nonmajor	Totals
		Revolving Loan	State Rte. 50 TIF		
Revenues					
Taxes	\$ 10,424,115	-	1,207,419	197,018	11,828,552
Intergovernmental	13,263	-	-	434,720	447,983
Licenses and Permits	263,833	-	-	-	263,833
Charges for Services	426,289	-	-	-	426,289
Fines and Forfeitures	323,947	-	-	1,645	325,592
Interest	30,209	6,001	2,820	3,098	42,128
Miscellaneous	377,165	-	-	51,877	429,042
Total Revenues	11,858,821	6,001	1,210,239	688,358	13,763,419
Expenditures					
Current					
General Government	4,339,043	5,445	-	-	4,344,488
Public Safety	5,189,081	-	-	36,346	5,225,427
Public Works	1,516,622	-	-	488,276	2,004,898
Building Standards	587,774	-	-	-	587,774
Economic Development/Incentive	-	-	192,666	-	192,666
Information Technology	159,686	-	-	-	159,686
Employee Benefits	586,757	-	-	-	586,757
Capital Outlay	-	-	-	145,945	145,945
Debt Service					
Principal Retirement	43,703	-	300,000	-	343,703
Interest and Fiscal Charges	2,767	-	732,276	-	735,043
Total Expenditures	12,425,433	5,445	1,224,942	670,567	14,326,387
Excess (Deficiency) of Revenues Over (Under) Expenditures	(566,612)	556	(14,703)	17,791	(562,968)
Other Financing Sources (Uses)					
Disposal of Capital Assets	229,547	-	-	-	229,547
Net Change in Fund Balances	(337,065)	556	(14,703)	17,791	(333,421)
Fund Balances - Beginning as Restated	7,494,320	1,999,215	1,000,587	821,027	11,315,149
Fund Balances - Ending	7,157,255	1,999,771	985,884	838,818	10,981,728

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, 2017

Net Change in Fund Balances - Total Governmental Funds \$ (333,421)

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	385,062
Depreciation Expense	(969,144)

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

Change in Deferred Items - IMRF	(55,123)
Change in Deferred Items - Police Pension	(1,475,996)
Change in Deferred Items - Firefighters' Pension	167,096

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.

Deductions to Compensation Absences Payable	19,334
Deductions to Net Pension Liability - IMRF	145,566
Deductions to Net Pension Liability - Police Pension	1,266,285
Additions to Net Pension Liability - Firefighters' Pension	(216,133)
Deductions to Net Other Post-Employment Benefit Obligation Payable	272,701
Retirement of Long-Term Debt	348,083

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.

(99,328)

Changes in Net Position of Governmental Activities

(545,018)

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, 2017**

	<u>Business-Type Activities Sewer</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ -
Receivables - Net of Allowances	
Accounts	175,364
Property Taxes	<u>400,803</u>
Total Current Assets	<u>576,167</u>
Noncurrent Assets	
Capital Assets	
Depreciable	12,969,835
Accumulated Depreciation	<u>(7,251,806)</u>
Total Capital Assets	5,718,029
Other Noncurrent Assets	
Due from Joint Venture	<u>219,444</u>
Total Noncurrent Assets	<u>5,937,473</u>
Total Assets	6,513,640
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>108,541</u>
Total Assets and Deferred Outflows of Resources	<u>6,622,181</u>

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

	Business-Type Activities <u>Sewer</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 30,912
Accrued Payroll	4,345
Accrued Interest Payable	63,920
Due to Other Funds	131,829
Current Portion of Long-Term Liabilities	<u>321,400</u>
Total Current Liabilities	<u>552,406</u>
Noncurrent Liabilities	
Compensated Absences Payable	61,456
Net Pension Liability - IMRF	281,647
Capital Lease Payable	196,420
General Obligation Bonds Payable - Net	<u>4,010,000</u>
Total Noncurrent Liabilities	<u>4,549,523</u>
Total Liabilities	<u>5,101,929</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	400,803
Deferred Items - IMRF	<u>5,841</u>
Total Deferred Inflows of Resources	<u>406,644</u>
Total Liabilities and Deferred Inflows of Resources	<u>5,508,573</u>
NET POSITION	
Net Investment in Capital Assets	1,205,573
Unrestricted	<u>(91,965)</u>
Total Net Position	<u>1,113,608</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, 2017

	Business-Type Activities <u>Sewer</u>
Operating Revenues	
Charges for Services	\$ 1,479,738
Other Revenue	73,825
Total Operating Revenues	<u>1,553,563</u>
Operating Expenses	
Operations	
Operations and Management	2,054,200
Depreciation	388,266
Amortization	(14,030)
Total Operating Expenses	<u>2,428,436</u>
Operating Income (Loss)	<u>(874,873)</u>
Nonoperating Revenues (Expenses)	
Investment Income	271
Property Taxes	399,363
Tap-On Fees	22,400
Interest and Fiscal Charges	(159,838)
	<u>262,196</u>
Change in Net Position	(612,677)
Net Position - Beginning as Restated	<u>1,726,285</u>
Net Position - Ending	<u><u>1,113,608</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, 2017

	<u>Business-Type Activities</u> <u>Water and Sewer</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 1,901,669
Payments to Employees	(372,934)
Payments to Suppliers	(1,449,360)
	<u>79,375</u>
Cash Flows from Capital and Related Financing Activities	
Principal Retirement	(269,519)
Interest Expense	(159,838)
	<u>(429,357)</u>
Cash Flows from Investing Activities	
Interest Income	271
	<u>271</u>
Net Change in Cash and Cash Equivalents	(349,711)
Cash and Cash Equivalents - Beginning	<u>349,711</u>
Cash and Cash Equivalents - Ending	<u><u>-</u></u>
Reconciliation of Operating Income to Net Cash Provided	
(Used) by Operating Activities Operating Income	(874,873)
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:	
Other Income	421,763
Other Expense	118,565
Depreciation and Amortization	374,236
(Increase) Decrease in Current Assets	(73,657)
Increase (Decrease) in Current Liabilities	113,341
	<u>113,341</u>
Net Cash Provided by Operating Activities	<u><u>79,375</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, 2017

	<u>Pension and Other Post-Employment Benefits Trust</u>
ASSETS	
Cash and Cash Equivalents	\$ 3,179,206
Investments	
U.S. Treasury Obligations	1,111,998
U.S. Agency Obligations	3,099,731
Corporate Bonds	1,680,761
Municipal Bonds	639,037
Mutual Funds	8,716,372
Insurance Contract	1,130,299
Receivables - Net of Allowance	
Accrued Interest	<u>4,208</u>
Total Assets	<u>19,561,612</u>
LIABILITIES	
Accounts Payable	8,377
Due from Other Funds	<u>38</u>
Total Liabilities	<u>8,415</u>
NET POSITION	
Net Position Restricted for Pensions and Other Post-Employment Benefits	<u><u>19,553,197</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, 2017

	Pension and Other Post-Employment Benefits Trust
Additions	
Contributions - Employer	\$ 1,661,188
Contributions - Plan Members	381,023
Total Contributions	<u>2,042,211</u>
Investment Income	
Interest Earned	487,368
Net Change in Fair Value	1,036,101
	<u>1,523,469</u>
Less Investment Expenses	(51,321)
Net Investment Income	<u>1,472,148</u>
Total Additions	<u>3,514,359</u>
Deductions	
Administration	23,275
Benefits and Refunds	1,367,998
Total Deductions	<u>1,391,273</u>
Change in Fiduciary Net Position	2,123,086
Net Position Restricted for Pensions and Other Post-Employment Benefits	
Beginning	<u>17,430,111</u>
Ending	<u><u>19,553,197</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, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Bradley 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.

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.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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.).

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.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

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.

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

Governmental Funds

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.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

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 two major special revenue funds. The Revolving Loan Fund, a major fund, is used to account for financial resources to be used specifically for providing low interest rate loans to businesses within the Village. The State Rte. 50 Fund, also a major 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 five nonmajor special revenue funds, the Motor Fuel Tax Fund, the Foreign Fire Insurance Fund, the Police Seizure Fund, the Cell Tower Fund, the L Power Rd. TIF Fund, and the Scrap Metal 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.

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.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

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.

Other post-employment benefit trust funds are accounted for in essentially the same manner as the proprietary fund and accounts for the assets and activity of the post-employment health care benefits for retirees. The Other Post-Employment Benefit Trust Fund is used to account for the accumulation of resources to pay post-employment health care costs. The Village pays 80% of the plan premiums and those who qualify for the health care benefit pay the other 20%.

The Village's pension and other post-employment benefit 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.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

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.

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.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

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, pension trust and other post-employment benefit 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 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 inflows 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.

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, pension trust and other post-employment benefit 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.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

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 includes 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.

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/Inventories

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

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

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.

Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 or more 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 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.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

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.

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.

Fund 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, 2017**

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 the General Fund, Revolving Loan Fund, State Rte. 50 TIF Fund, Motor Fuel Tax Fund, Cell Tower Fund, Capital Projects Fund, Sewer Fund, Police Pension Fund, Firefighters' Pension Fund, and OPEB 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, several supplementary appropriations were necessary.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Revolving Loan	\$ 5,445

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.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2017

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. Although not registered with the SEC, Illinois Funds operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

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, 2017**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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 \$7,298,165 and the bank balances totaled \$9,723,291.

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. Treasury Obligations	\$ 398,307	156,239	242,068	-	-
U.S. Agency Obligations	1,333,002	311,665	254,088	422,388	344,861
Corporate Bonds	83,310	83,310	-	-	-
Illinois Funds	469,279	469,279	-	-	-
	<u>2,283,898</u>	<u>1,020,493</u>	<u>496,156</u>	<u>422,388</u>	<u>344,861</u>

The Village has the following recurring fair value measurements as of April 30, 2017:

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. Treasury Obligations	\$ 398,307	398,307	-	-
U.S. Agency Obligations	1,333,002	-	1,333,002	-
Corporate Bonds	83,310	-	83,310	-
Total Investments by Fair Value Level	1,814,619	398,307	1,416,312	-
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	469,279			
Total Investments Measured at Fair Value	2,283,898			

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, 2017

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. Agencies are rated Aaa by Standard & Poor's or not rated, the Village's investment in the Illinois Funds was rated AAAM by Standard & Poor's, and the Village's investment in corporate bonds were rated Aaa 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 \$735,509 and the bank balances totaled \$735,509.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – 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	\$ 967,763	19,994	155,156	792,613	-
U.S. Agency Obligations	2,931,411	119,519	902,340	1,635,699	273,853
Corporate Bonds	1,445,607	-	1,244,328	201,279	-
Municipal Bonds	476,341	-	102,126	166,052	208,163
	<u>5,821,122</u>	<u>139,513</u>	<u>2,403,950</u>	<u>2,795,643</u>	<u>482,016</u>

The Fund has the following recurring fair value measurements as of April 30, 2017:

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. Treasury Obligations	\$ 967,763	967,763	-	-
U.S. Agency Obligations	2,931,411	-	2,931,411	-
Corporate Bonds	1,445,607	-	1,445,607	-
Municipal Bonds	476,341	-	476,341	-
Equity Securities				
Mutual Funds	8,639,330	8,639,330	-	-
Insurance Contracts	1,130,299	-	1,130,299	-
Total Investments by Fair Value Level	<u>15,590,751</u>	<u>9,607,093</u>	<u>5,983,658</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, 2017

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 Obligation, the Corporate Bonds, and the Municipal Bond ratings are not available.

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 \$8,639,330 invested in mutual funds and \$1,130,299 invested in insurance contracts. 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.

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%	1.60%
Large Cap Domestic Equities	36.00%	6.60%
Small Cap Domestic Equities	10.00%	8.60%
International Equity	4.00%	6.50%
Cash and Cash Equivalents	5.00%	0.00%

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2017

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. 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 2017 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding 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, 2017 are listed in the table above.

Rate of Return

For the year ended April 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.66%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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 \$114,801 and the bank balances totaled \$114,801.

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	\$ 144,235	-	80,156	17,526	46,553
U.S. Agency Obligations	168,320	99,986	49,927	-	18,407
Corporate Bonds	235,154	205,524	20,005	4,781	4,844
Municipal Bonds	162,696	80,894	31,135	50,667	-
	710,405	386,404	181,223	72,974	69,804

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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. The Fund has the following recurring fair value measurements as of April 30, 2017:

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. Treasury Obligations	\$ 144,235	144,235	-	-
U.S. Agency Obligations	168,320	-	168,320	-
Corporate Bonds	235,154	-	235,154	-
Municipal Bonds	162,696	-	162,696	-
Equity Securities				
Mutual Funds	77,042	77,042	-	-
Total Investments by Fair Value Level	787,447	221,277	566,170	-

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 Obligation, the Corporate Bonds, and the Municipal Bonds ratings are not available.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2017

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

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 \$77,042 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.

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	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 5% 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 May 2016 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding 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, 2017 are listed in the table above.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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

Rate of Return

For the year ended April 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.55%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

LOANS RECEIVABLE

In prior years, the Village was the recipient of three grants totaling \$687,500 from the Illinois Department of Commerce and Community Affairs under the Illinois Community Development Assistance Program. The grants were used to assist the economic and development needs of low to moderate income through the execution of below-market loans to area businesses. Upon repayment of the loans, the Village’s use of the funds is restricted to general community development. The principal balance of outstanding loans is \$209,924 at April 30, 2017. The balance of the allowance for doubtful accounts is \$83,500. The non-current portion of this balance is \$133,263.

PROPERTY TAXES

Property taxes for 2016 attach as an enforceable lien on January 1, 2016, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1, 2017, and September 1, 2017. The County collects such taxes and remits them periodically. As the 2016 levy is intended to finance fiscal year 2017-18 operations and debt service, the revenue has been recognized as a deferred inflow of resources at April 30, 2017. Property tax revenue reported in fiscal year 2016-17 is comprised primarily of collections of the 2015 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	State Rte. 50 TIF	\$ 6,175
General	Nonmajor Governmental	159,623
General	Sewer	131,829
General	Police Pension	38
		<u>297,665</u>

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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	\$ 6,494,488	-	-	6,494,488
Depreciable Capital Assets				
Building and Improvements	6,986,972	-	-	6,986,972
Equipment	7,671,228	267,148	-	7,938,376
Infrastructure	15,218,781	117,914	-	15,336,695
	<u>29,876,981</u>	<u>385,062</u>	<u>-</u>	<u>30,262,043</u>
Less Accumulated Depreciation				
Building and Improvements	3,269,975	242,852	-	3,512,827
Equipment	6,239,075	248,966	-	6,488,041
Infrastructure	4,953,091	477,326	-	5,430,417
	<u>14,462,141</u>	<u>969,144</u>	<u>-</u>	<u>15,431,285</u>
Total Net Depreciable Capital Assets	<u>15,414,840</u>	<u>(584,082)</u>	<u>-</u>	<u>14,830,758</u>
Total Net Capital Assets	<u><u>21,909,328</u></u>	<u><u>(584,082)</u></u>	<u><u>-</u></u>	<u><u>21,325,246</u></u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 678,401
Public Safety	222,903
Public Works	<u>67,840</u>
	<u><u>969,144</u></u>

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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
Depreciable Capital Assets				
Equipment	\$ 12,969,835	-	-	12,969,835
Less Accumulated Depreciation				
Equipment	6,863,540	388,266	-	7,251,806
Total Net Capital Assets	<u>6,106,295</u>	<u>(388,266)</u>	-	<u>5,718,029</u>

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

Sewer	<u>\$ 388,266</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	<u>\$ 4,475,000</u>	-	215,000	<u>4,260,000</u>

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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 Bonds of 2007, due in annual installments of \$210,000 to \$1,740,000, plus interest at 6.10% through January 1, 2027.	State Rte. 50 TIF	\$ 4,800,000	-	300,000	4,500,000

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

Loan Payable

The Village entered into a commercial loan agreement with Homestar Bank for the purchase of an ambulance. Loans payable are direct obligations and pledge the full faith and credit of the Village. Loans payable currently outstanding are as follows:

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Loan Payable of 2011 dated October 17, 2011, due in annual installments of \$14,891 to \$17,427 plus interest of 3.96% through October 17, 2016.	General	\$ 17,427	-	17,427	-

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Capital Leases

The Village entered into a six-year capital lease agreement with Peoples Bank of Kankakee County for the purchase of a street sweeper. The total amount of the lease is \$159,860, recorded as a governmental activity. The lease was dated August 20, 2013, with six future minimum lease payments of \$28,373 including an interest rate of 2.55%. The asset under the capital lease in the amount of \$159,860 was capitalized in fiscal year 2014. As of April 30, 2017, the accumulated depreciation balance related to this asset is \$55,951. Total principal due in fiscal year 2018 is \$26,961.

The Village entered into a five-year capital lease agreement with Peoples Bank of Kankakee County for the purchase of a vactor. The total amount of the lease is \$272,832, recorded in the Sewer Fund. The lease was dated July 24, 2013, with five future minimum payments of \$57,588, \$63,546, \$62,117, \$60,656 and \$59,139 including interest at a rate of 2.73%. The asset under the capital lease in the amount of \$309,900 was capitalized in fiscal year 2014. As of April 30, 2017, the accumulated depreciation balance related to this asset is \$108,465. Total principal due in fiscal year 2018 is \$56,036.

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 - 2016	<u>\$ 258,415,871</u>
Legal Debt Limit - 8.625% of Assessed Value	22,288,369
Amount of Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>22,288,369</u>

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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	\$ 1,335,471	19,334	38,668	1,316,137	263,227
Net Pension Liability - IMRF	1,953,782	-	145,566	1,808,216	-
Net Pension Liability - Police	11,088,285	-	1,266,285	9,822,000	-
Net Pension Liability - Fire	687,033	216,133	-	903,166	-
Net Post-Employment Benefit Obligation	555,346	-	272,701	282,645	-
Tax Increment Revenue					
Bonds Payable	4,800,000	-	300,000	4,500,000	320,000
Plus: Unamortized Premium	48,176	-	4,380	43,796	-
Tax Increment Revenue Note	9,096,173	-	-	9,096,173	-
Loans Payable	17,427	-	17,427	-	-
Capital Leases Payable	80,895	-	26,276	54,619	26,961
	<u>29,662,588</u>	<u>235,467</u>	<u>2,071,303</u>	<u>27,826,752</u>	<u>610,188</u>
Business-Type Activities					
Compensated Absences	81,824	5,004	10,008	76,820	15,364
Net Pension Liability - IMRF	95,193	186,454	-	281,647	-
General Obligation					
Bonds Payable	4,475,000	-	215,000	4,260,000	250,000
Plus: Unamortized Premium	210,450	-	14,030	196,420	-
Capital Lease Payable	110,555	-	54,519	56,036	56,036
	<u>4,973,022</u>	<u>191,458</u>	<u>293,557</u>	<u>4,870,923</u>	<u>321,400</u>

For governmental activities the compensated absences, the net pension liabilities and the net post-employment benefit obligation are generally liquidated by the General Fund. The State Rte. 50 TIF Fund makes payments on the tax increment revenue bonds and the General Fund makes payments on the capital leases and loans payable.

For business-type activities the compensated absences, the net pension liability, the general obligation bond payable, and capital lease payable, are liquidated by the Sewer Fund.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2017

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		Capital Leases		General Obligation Bonds		Capital Leases	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 320,000	274,500	26,961	1,412	250,000	150,550	56,036	1,554
2019	345,000	254,980	27,658	715	255,000	145,550	-	-
2020	370,000	233,934	-	-	260,000	137,900	-	-
2021	400,000	211,366	-	-	270,000	130,100	-	-
2022	425,000	186,964	-	-	275,000	122,000	-	-
2023	460,000	161,040	-	-	280,000	113,750	-	-
2024	495,000	132,980	-	-	290,000	105,350	-	-
2025	530,000	102,786	-	-	300,000	95,200	-	-
2026	560,000	70,454	-	-	315,000	83,200	-	-
2027	595,000	36,296	-	-	325,000	70,600	-	-
2028	-	-	-	-	340,000	57,600	-	-
2029	-	-	-	-	350,000	44,000	-	-
2030	-	-	-	-	370,000	30,000	-	-
2031	-	-	-	-	380,000	15,200	-	-
Total	4,500,000	1,665,300	54,619	2,127	4,260,000	1,301,000	56,036	1,554

FUND BALANCE/NET POSITION RESTATEMENT

Beginning fund balance/net position was restated due to an error in recognition of liabilities for TIF incremental property taxes. The following is a summary of the net position as originally reported and as restated:

Net Position	As Reported	As Restated	(Decrease)
Governmental Activities	\$ 2,892,573	2,187,601	(704,972)
State Rte. 50 TIF	1,705,559	1,000,587	(704,972)

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

In the governmental funds 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:

	General	Special Revenue		Nonmajor	Totals
		Revolving Loan	State Rte. 50 TIF		
Fund Balances					
Nonspendable					
Prepays	\$ 164,289	-	-	34,938	199,227
Restricted					
Economic Development	-	-	-	53,499	53,499
Street Maintenance	-	-	-	519,779	519,779
Debt Service	-	-	-	2,730	2,730
Capital Projects	-	-	-	174,975	174,975
Infrastructure/Development	165,399	-	-	-	165,399
Parks	200,473	-	-	-	200,473
Public Safety - Police	2,250	-	-	52,897	55,147
	<u>368,122</u>	<u>-</u>	<u>-</u>	<u>803,880</u>	<u>1,172,002</u>
Committed					
Economic Development	-	1,999,771	985,884	-	2,985,655
Unassigned	<u>6,624,844</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,624,844</u>
Total Fund Balances	<u>7,157,255</u>	<u>1,999,771</u>	<u>985,884</u>	<u>838,818</u>	<u>10,981,728</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.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

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.

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, 2017:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 21,325,246
Less:	
Tax Increment Revenue Bonds Payable	(4,500,000)
Unamortized Premium	(43,796)
Tax Increment Revenue Note	(9,096,173)
Capital Leases Payable	<u>(54,619)</u>
Net Investment in Capital Assets	<u><u>7,630,658</u></u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	5,718,029
Less:	
General Obligation Bonds Payable	(4,260,000)
Unamortized Premium	(196,420)
Capital Leases Payable	<u>(56,036)</u>
Net Investment in Capital Assets	<u><u>1,205,573</u></u>

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

Arther 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.

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.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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, 2017:

Current Assets	\$ 2,060,961	Current Liabilities	5,206,440
Restricted Assets	3,129,267	Long-Term Liabilities	<u>71,680,002</u>
Capital Assets	80,226,717	Total Liabilities	76,886,442
Deferred Bond Refunding	<u>557,371</u>		
		Net Position	<u>9,087,874</u>
Total Assets/Deferred			
Outflows of Resources	<u>85,974,316</u>	Total Liabilities and Net Position	<u>85,974,316</u>

Summary of Revenues, Expenses and Changes in Net Position for the year ended April 30, 2017:

Operating Revenues	\$ 10,195,855
Operating Expenses	<u>8,526,558</u>
Operating Income	1,669,297
Nonoperating Revenues and Expenses	<u>(1,438,957)</u>
Change in Net Position	230,340
Net Position - Beginning	<u>8,857,534</u>
Net Position - Ending	<u>9,087,874</u>

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURE – Continued

Kankakee River Metropolitan Agency (KRMA) – Continued

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

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.

NOTE 4 – OTHER INFORMATION – Continued

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.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

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, 2017**

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, 2016, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	41
Inactive Plan Members Entitled to but not yet Receiving Benefits	15
Active Plan Members	<u>42</u>
Total	<u><u>98</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. The Village’s annual contribution rate for calendar year 2016 was 12.01% of covered payroll.

Net Pension Liability. The Village’s net pension liability was measured as of December 31, 2016. 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, 2016, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.50%
Salary Increases	3.75% to 14.50%
Cost of Living Adjustments	2.75%
Inflation	2.75%

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2017

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 nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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 tables was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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	27.00%	3.00%
Domestic Equities	38.00%	6.85%
International Equities	17.00%	6.75%
Real Estate	8.00%	5.75%
Blended	9.00%	2.65% - 7.35%
Cash and Cash Equivalents	1.00%	2.25%

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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 7.50% and the prior year valuation used 7.47%. 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 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 (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	\$ 3,969,839	2,089,863	538,624

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

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, 2015	\$ 13,245,621	11,196,646	2,048,975
Changes for the Year:			
Service Cost	304,282	-	304,282
Interest on the Total Pension Liability	976,549	-	976,549
Difference Between Expected and Actual Experience of the Total Pension Liability	213,056	-	213,056
Changes of Assumptions	(52,331)	-	(52,331)
Contributions - Employer	-	336,158	(336,158)
Contributions - Employees	-	124,503	(124,503)
Net Investment Income	-	769,379	(769,379)
Benefit Payments, including Refunds of Employee Contributions	(649,624)	(649,624)	-
Other (Net Transfer)	-	170,628	(170,628)
Net Changes	791,932	751,044	40,888
Balances at December 31, 2016	14,037,553	11,947,690	2,089,863

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

For the year ended April 30, 2017, the Village recognized pension expense of \$357,600. At April 30, 2017, 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, 2017**

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	\$ 163,905	(3,082)	160,823
Change in Assumptions	9,044	(40,258)	(31,214)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	<u>528,125</u>	-	<u>528,125</u>
Total Pension Expense to be Recognized in Future Periods	701,074	(43,340)	657,734
Pension Contributions Subsequent to Year-End	<u>104,318</u>	-	<u>104,318</u>
Total Deferred Amounts Related to IMRF	<u><u>805,392</u></u>	<u><u>(43,340)</u></u>	<u><u>762,052</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 of Resources
2018	\$ 210,969
2019	210,969
2020	209,445
2021	26,351
2022	-
Thereafter	<u>-</u>
Total	<u><u>657,734</u></u>

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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, 2017, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	20
Inactive Plan Members Entitled to but not yet Receiving Benefits	3
Active Plan Members	<u>33</u>
Total	<u>56</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, 2017

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 of ½ of the change in the Consumer Price Index for the preceding calendar year.

Contributions. Covered employees are required to contribute 9.91% of their base salary to the 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, 2017, the Village's contribution was 40.26% 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, 2017**

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, 2017, 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	1.12% to 4.86%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP 2000 Combined Healthy Mortality Table (male) with blue collar adjustment projected by Scale BB to 2015.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%, 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.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2017

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	\$ 13,708,539	9,822,000	6,653,178

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2016	\$ 25,581,960	14,493,675	11,088,285
Changes for the Year:			
Service Cost	705,319	-	705,319
Interest on the Total Pension Liability	1,697,657	-	1,697,657
Difference Between Expected and Actual Experience of the Total Pension Liability	(859,321)	-	(859,321)
Changes of Assumptions	-	-	-
Contributions - Employer	-	1,034,020	(1,034,020)
Contributions - Employees	-	336,843	(336,843)
Net Investment Income	-	1,459,719	(1,459,719)
Benefit Payments, including Refunds of Employee Contributions	(973,185)	(973,185)	-
Administrative Expenses	-	(20,642)	20,642
Net Changes	570,470	1,836,755	(1,266,285)
Balances at April 30, 2017	26,152,430	16,330,430	9,822,000

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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, 2017, the Village recognized pension expense of \$1,243,731. At April 30, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 614,590	(777,993)	(163,403)
Change in Assumptions	-	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	<u>631,092</u>	<u>(411,143)</u>	<u>219,949</u>
Total Deferred Amounts Related to Police Pension	<u><u>1,245,682</u></u>	<u><u>(1,189,136)</u></u>	<u><u>56,546</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
2018	\$ 102,744
2019	102,744
2020	102,741
2021	(107,620)
2022	(4,835)
Thereafter	<u>(139,228)</u>
Total	<u><u>56,546</u></u>

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
April 30, 2017

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, 2017, 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>7</u>
Total	<u><u>7</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, 2017

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 police 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 of 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, 2017, the Village's contribution was 27.44% 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, 2017**

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, 2017, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	5.00%
Salary Increases	5.00%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP 2014 Mortality Table (BCHA) projected to 2017 using improvement scale MP-2015. The other non-economic actuarial assumptions used in the April 30, 2017 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 5.00%, and the prior valuation used 6.00%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that 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, 2017

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 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 (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Net Pension Liability	\$ 1,268,664	903,166	612,253

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2016	\$ 1,410,590	723,557	687,033
Changes for the Year:			
Service Cost	149,284	-	149,284
Interest on the Total Pension Liability	83,652	-	83,652
Difference Between Expected and Actual Experience of the Total Pension Liability	(78,994)	-	(78,994)
Changes of Assumptions	240,882	-	240,882
Contributions - Employer	-	127,168	(127,168)
Contributions - Employees	-	44,180	(44,180)
Net Investment Income	-	9,976	(9,976)
Benefit Payments, including Refunds of Employee Contributions	-	-	-
Administrative Expenses	-	(2,633)	2,633
Net Changes	394,824	178,691	216,133
Balances at April 30, 2017	1,805,414	902,248	903,166

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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, 2017, the Village recognized pension expense of \$176,205. At April 30, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(128,442)	(128,442)
Change in Assumptions	306,707	-	306,707
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	51,808	-	51,808
Total Deferred Amounts Related to Firefighters' Pension	<u>358,515</u>	<u>(128,442)</u>	<u>230,073</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
2018	\$ 32,175
2019	32,175
2020	32,171
2021	24,871
2022	17,396
Thereafter	<u>91,285</u>
Total	<u>230,073</u>

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions, and Funding Policies

In addition to providing the pension benefits described, the Village offers post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan, which is accounted for as a trust fund of the Village. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan does not issue a separate report. The cost of the plan is reported in the fund from which the benefit are paid from.

The Village provides postemployment health care benefits to its retirees as well as those employees separated from service from the Village but are not yet retired provided that either group has given at least 20 years of continuous, full-time service to the Village. However, this benefit was completely phased out for all new hires after June 1, 2002.

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

The Village pays for 80% of the plan premiums, regardless of the level of coverage provided. Those who qualify for the health care benefit, including retirees, pay 20% of the plan premiums. Plan premiums fluctuate from year to year based on market conditions and usage by members. For the fiscal year ending April 30, 2017, retirees contributed \$137,725 to the plan. Active employees do not contribute to the postemployment health care plan until retirement.

At April 30, 2017, membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	32
Active Employees	<u>28</u>
Total	<u>60</u>
Participating Employers	1

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

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

Annual Required Contribution	\$ 636,469
Interest on the NOPEBO	22,214
Adjustment to the ARC	<u>(18,512)</u>
Annual NOPEBO Cost	640,171
Actual Contribution	<u>912,872</u>
Change in the NOPEBO	(272,701)
NOPEBO - Beginning	<u>555,346</u>
NOPEBO - Ending	<u><u>282,645</u></u>

Trend Information

The annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation are as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2015	\$ 576,241	\$ 2,279,608	395.60%	\$ 871,394
2016	642,278	958,326	149.21%	555,346
2017	640,171	912,872	142.60%	282,645

Funded Status and Funding Progress

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress – Continued

The funded status of the plan as of April 30, 2016, the date of the latest actuarial valuation, was as follows:

Actuarial Accrued Liability (AAL)	\$ 12,915,616
Actuarial Value of Plan Assets	\$ 2,212,830
Unfunded Actuarial Accrued Liability (UAAL)	\$ 10,702,786
Funded Ratio (Actuarial Value of Plan Assets/AAL)	17.13%
Covered Payroll (Active Plan Members)	\$ 2,051,081
UAAL as a Percentage of Covered Payroll	521.81%

Actuarial Methods and Assumptions

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

In the April 30, 2016, actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses) and an initial healthcare cost trend rate of 5.00% for Medical and 3.00% for Dental, with an ultimate rate of 4.50% for Medical. All rates include a 3.0% inflation assumption. The actuarial value of assets was \$2,212,830. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2017 was 30 years.

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 Funding Progress and Employer Contributions
Other Post-Employment Benefit Plan

- 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

- Budgetary Comparison Schedule
General Fund
Revolving Loan - Special Revenue 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

Other Post-Employment Benefit Plan

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
April 30, 2017**

Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)
Apr. 30						
2012	\$ -	\$ 7,677,870	0.00%	\$ 7,677,870	\$ 2,780,251	276.16%
2013	-	9,084,263	0.00%	9,084,263	2,871,658	316.34%
2014	-	9,084,263	0.00%	9,084,263	2,871,658	316.34%
2015	2,073,229	9,084,263	22.82%	7,011,034	2,502,786	280.13%
2016	2,212,830	12,915,616	17.13%	10,702,786	2,051,081	521.81%
2017	N/A	N/A	N/A	N/A	N/A	N/A

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2012	\$ -	\$ 498,522	0.00%
2013	-	498,522	0.00%
2014	-	498,522	0.00%
2015	2,279,608	559,076	407.75%
2016	958,326	636,469	150.57%
2017	912,872	636,469	143.43%

The Village is required to have an actuarial valuation completed triennially.
N/A - Not Available

VILLAGE OF BRADLEY, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2017**

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%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	27 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	3.75% - 14.50%
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-2014 (base year 2012)

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, 2017

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	\$ 1,295,803	\$ 835,134	\$ (460,669)	\$ 2,473,848	33.76%
2016	1,378,462	856,951	(521,511)	2,397,067	35.75%
2017	1,338,717	1,034,020	(304,697)	2,568,152	40.26%

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	Market
Inflation	2.50%
Salary Increases	1.12% - 4.86%
Investment Rate of Return	6.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP 2000 Combined Healthy Mortality Table (male) with blue collar adjustment projected by

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, 2017**

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%

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	Market
Inflation	2.50%
Salary Increases	5.00%
Investment Rate of Return	5.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP 2014 projected to 2017

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, 2017**

	12/31/2015	12/31/2016
Total Pension Liability		
Service Cost	\$ 289,708	304,282
Interest	932,167	976,549
Differences Between Expected and Actual Experience	(5,662)	213,056
Change of Assumptions	16,616	(52,331)
Benefit Payments, Including Refunds of Member Contributions	(608,958)	(649,624)
	<u>623,871</u>	<u>791,932</u>
Net Change in Total Pension Liability	623,871	791,932
Total Pension Liability - Beginning	12,621,750	13,245,621
	<u>13,245,621</u>	<u>14,037,553</u>
Total Pension Liability - Ending		
Plan Fiduciary Net Position		
Contributions - Employer	\$ 309,478	336,158
Contributions - Members	120,728	124,503
Net Investment Income	56,336	769,379
Benefit Payments, Including Refunds of Member Contributions	(608,958)	(649,624)
Administrative Expense	(37,497)	170,628
	<u>(159,913)</u>	<u>751,044</u>
Net Change in Plan Fiduciary Net Position	(159,913)	751,044
Plan Net Position - Beginning	11,356,559	11,196,646
	<u>11,196,646</u>	<u>11,947,690</u>
Plan Net Position - Ending		
Employer's Net Pension Liability	\$ 2,048,975	2,089,863
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.53%	85.11%
Covered Payroll	\$ 2,671,882	2,766,734
Employer's Net Pension Liability as a Percentage of Covered Payroll	76.69%	75.54%

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 Changes in the Employer's Net Pension Liability
April 30, 2017**

	4/30/15	4/30/16	4/30/17
Total Pension Liability			
Service Cost	\$ 708,543	677,653	705,319
Interest	1,300,620	1,556,396	1,697,657
Differences Between Expected and Actual Experience	1,052,181	767,576	(859,321)
Change of Assumptions	1,526,143	-	-
Benefit Payments, Including Refunds of Member Contributions	(727,895)	(881,315)	(973,185)
Net Change in Total Pension Liability	3,859,592	2,120,310	570,470
Total Pension Liability - Beginning	19,602,058	23,461,650	25,581,960
Total Pension Liability - Ending	23,461,650	25,581,960	26,152,430
Plan Fiduciary Net Position			
Contributions - Employer	\$ 835,134	856,951	1,034,020
Contributions - Members	243,589	256,757	336,843
Net Investment Income	770,258	(144,168)	1,459,719
Benefit Payments, Including Refunds of Member Contributions	(727,895)	(881,315)	(973,185)
Administrative Expense	(17,842)	(35,061)	(20,642)
Net Change in Plan Fiduciary Net Position	1,103,244	53,164	1,836,755
Plan Net Position - Beginning	13,337,267	14,440,511	14,493,675
Plan Net Position - Ending	14,440,511	14,493,675	16,330,430
Employer's Net Pension Liability	\$ 9,021,139	11,088,285	9,822,000
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.55%	56.66%	62.44%
Covered Payroll	\$ 2,473,848	2,397,067	2,568,152
Employer's Net Pension Liability as a Percentage of Covered Payroll	364.66%	462.58%	382.45%

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 Changes in the Employer's Net Pension Liability
April 30, 2017**

	4/30/15	4/30/16	4/30/17
Total Pension Liability			
Service Cost	\$ 94,173	147,846	149,284
Interest	69,422	70,394	83,652
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(176,896)	(67,729)	(78,994)
Change of Assumptions	212,506	104,572	240,882
Benefit Payments, Including Refunds of Member Contributions	-	(35,443)	-
Net Change in Total Pension Liability	199,205	219,640	394,824
Total Pension Liability - Beginning	991,745	1,190,950	1,410,590
Total Pension Liability - Ending	1,190,950	1,410,590	1,805,414
Plan Fiduciary Net Position			
Contributions - Employer	\$ 85,451	82,643	127,168
Contributions - Members	32,944	41,605	44,180
Net Investment Income	6,384	1,157	9,976
Benefit Payments, Including Refunds of Member Contributions	-	(35,443)	-
Administrative Expense	(7,662)	(4,663)	(2,633)
Net Change in Plan Fiduciary Net Position	117,117	85,299	178,691
Plan Net Position - Beginning	521,141	638,258	723,557
Plan Net Position - Ending	638,258	723,557	902,248
Employer's Net Pension Liability	\$ 552,692	687,033	903,166
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.59%	51.29%	49.97%
Covered Payroll	\$ 432,920	418,117	463,523
Employer's Net Pension Liability as a Percentage of Covered Payroll	127.67%	164.32%	194.85%

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 Investment Returns
April 30, 2017**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	5.73%
2016	(0.85%)
2017	9.66%

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, 2017**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	1.15%
2016	(0.50%)
2017	1.55%

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

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 11,355,973	11,355,973	10,424,115
Intergovernmental	298,124	318,124	13,263
Licenses and Permits	277,275	277,275	263,833
Charges for Services	363,400	363,400	426,289
Fines and Forfeitures	306,000	306,000	323,947
Interest	40,100	40,100	30,209
Miscellaneous	341,800	351,800	377,165
Total Revenues	<u>12,982,672</u>	<u>13,012,672</u>	<u>11,858,821</u>
Expenditures			
Current			
General Government	3,195,069	3,206,204	4,339,043
Public Safety	6,476,487	6,479,987	5,189,081
Public Works	2,152,548	2,166,533	1,516,622
Building Standards	733,885	761,360	587,774
Information Technology	163,182	180,182	159,686
Employee Benefits	512,500	590,000	586,757
Debt Service			
Principal Payment	-	-	43,703
Interest and Fiscal Charges	-	-	2,767
Total Expenditures	<u>13,233,671</u>	<u>13,384,266</u>	<u>12,425,433</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(250,999)	(371,594)	(566,612)
Other Financing Sources			
Disposal of Capital Assets	-	229,000	229,547
Net Change in Fund Balance	<u>(250,999)</u>	<u>(142,594)</u>	(337,065)
Fund Balance - Beginning			<u>7,494,320</u>
Fund Balance - Ending			<u><u>7,157,255</u></u>

VILLAGE OF BRADLEY, ILLINOIS

Revolving Loan - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 4,504	4,504	6,001
Expenditures			
General Government	-	-	5,445
Net Change in Fund Balance	<u>4,504</u>	<u>4,504</u>	556
Fund Balance - Beginning			<u>1,999,215</u>
Fund Balance - Ending			<u>1,999,771</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, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 1,000,000	1,207,419	1,207,419
Interest	1,300	1,300	2,820
Total Revenues	<u>1,001,300</u>	<u>1,208,719</u>	<u>1,210,239</u>
Expenditures			
Current			
Economic Incentive/Development	968,000	1,059,306	192,666
Debt Service			
Principal Retirement	300,000	300,000	300,000
Interest and Fiscal Charges	292,800	732,276	732,276
Total Expenditures	<u>1,560,800</u>	<u>2,091,582</u>	<u>1,224,942</u>
Net Change in Fund Balance	<u>(559,500)</u>	<u>(882,863)</u>	(14,703)
Fund Balance - Beginning as Restated			<u>1,000,587</u>
Fund Balance - Ending			<u>985,884</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 and Other Post-Employment Benefit Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds
- Budgetary Comparison Schedule – Post-Employment Benefit Trust Fund

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

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

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.

Revolving Loan Fund

The Revolving Loan Fund is used to account for financial resources to be used specifically for providing low interest rate loans to businesses within the Village.

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.

Cell Tower Fund

The Cell Tower Fund is used to account for rents received from telecommunication companies for transmission equipment placed on Village property.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

SPECIAL REVENUE FUNDS – CONTINUED

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.

DEBT SERVICE FUND

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

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.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

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.

OTHER POST-EMPLOYEMENT BENEFIT TRUST FUND

Other Post-Employment Benefit Trust Fund

The Other Post-Employment Benefit Trust Fund is used to account for the accumulation of resources to pay post-employment health care costs. The Village pays 80% of the plan premiums and those who qualify for the health care benefit pay the other 20%.

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2016

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 2,086,338	2,086,338	2,120,201
State Shared Taxes			
State Income Tax	1,621,290	1,621,290	1,395,071
State Sales Tax	7,152,337	7,152,337	6,397,518
Replacement Taxes	121,276	121,276	119,303
State Use Tax	373,532	373,532	391,220
Auto Rental Tax	1,200	1,200	802
	<u>9,269,635</u>	<u>9,269,635</u>	<u>8,303,914</u>
Total Taxes	<u>11,355,973</u>	<u>11,355,973</u>	<u>10,424,115</u>
Intergovernmental			
Police Grants	7,700	7,700	4,421
Fire Grants	283,924	283,924	4,421
Public Works Grants	6,500	26,500	4,421
	<u>298,124</u>	<u>318,124</u>	<u>13,263</u>
Total Intergovernmental	<u>298,124</u>	<u>318,124</u>	<u>13,263</u>
Licenses and Permits			
Licenses			
Business Licenses	10,500	10,500	16,063
Liquor Licenses	60,825	60,825	58,600
Vending License	13,000	13,000	12,877
Tobacco License	1,800	1,800	2,850
Motor Vehicle Repair	1,450	1,450	2,600
Other License	13,400	13,400	15,650
	<u>100,975</u>	<u>100,975</u>	<u>108,640</u>
Permits			
Building Permits	160,000	160,000	139,842
Hall Rental	14,400	14,400	14,401
Park Rental	1,900	1,900	950
	<u>176,300</u>	<u>176,300</u>	<u>155,193</u>
Total Licenses and Permits	<u>277,275</u>	<u>277,275</u>	<u>263,833</u>

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Charges for Services			
Garbage Billings	\$ 5,000	5,000	2,526
Ambulance Revenue	340,000	340,000	396,794
Administrative Review Fee	7,000	7,000	13,016
Summer Program Revenue	1,300	1,300	1,100
Sex Offender Registration	500	500	320
Public Safety Inspections	7,500	7,500	10,830
Police Report Fees	2,100	2,100	1,703
Total Charges for Services	363,400	363,400	426,289
Fines and Forfeitures			
Circuit Court Fees	110,000	110,000	122,162
Administrative Tow Fee	122,000	122,000	108,750
D.U.I. Fines	7,500	7,500	8,066
Adjudication Fines	44,000	44,000	65,034
Other Fines	22,500	22,500	19,935
Total Fines and Forfeitures	306,000	306,000	323,947
Interest	40,100	40,100	30,209
Miscellaneous			
Donations	1,950	11,950	21,626
Reimbursements	72,500	72,500	76,437
Franchise Fees	255,000	255,000	247,179
Senior Citizens Activities	3,000	3,000	2,020
Other Income	9,350	9,350	29,903
Total Miscellaneous	341,800	351,800	377,165
Total Revenues	12,982,672	13,012,672	11,858,821

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Revenues by Function/Department - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
General Government			
General Administration			
Property Taxes	\$ 926,160	926,160	959,013
Property Taxes - Police Pension	1,033,263	1,033,263	1,034,020
Property Taxes - Fire Pension	126,915	126,915	127,168
Retailers Occupational Tax	7,138,337	7,138,337	6,390,632
Use Tax Revenue	373,532	373,532	391,220
Sales Taxes - Business District	14,000	14,000	6,886
Illinois Income Tax	1,621,290	1,621,290	1,395,071
Replacement Tax	121,276	121,276	119,303
Auto Rental Tax	1,200	1,200	802
Franchise Fees	255,000	255,000	247,179
Interest	90,000	90,000	69,436
Gain (Loss) on Investment	(50,000)	(50,000)	(39,371)
Other Income	5,000	5,000	23,229
Total General Administration	11,655,973	11,655,973	10,724,588
Village President			
Liquor License	60,825	60,825	58,600
Village Clerk			
Vending Sticker Fee	13,000	13,000	12,877
Tobacco License	1,800	1,800	2,850
Motor Vehicle Repair	1,450	1,450	2,600
Administration Review Fee	2,000	2,000	2,400
Other License	2,900	2,900	3,600
Total Village Clerk	21,150	21,150	24,327
Public Benefit			
Enginnering Fee Reimbursement	-	-	2,031
Summer Program Revenue	1,300	1,300	1,100
Garbage Collection	5,000	5,000	2,526
Christmas Parade Donations	1,750	1,750	2,200
Broadway Improvement Donations	-	10,000	10,000
Garage Sale Revenues	-	-	380
Senior Citizens Activities	3,000	3,000	2,020
Total Public Benefit	11,050	21,050	20,257
Total General Government	11,748,998	11,758,998	10,827,772

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Revenues by Function/Department - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Public Safety			
Police Department			
Police Salary Reimbursement	\$ 72,500	72,500	74,209
Police Grants	7,700	7,700	4,421
Circuit Court Fines	110,000	110,000	122,162
D.U.I. Fines	7,500	7,500	8,066
False Alarm Fines	5,500	5,500	3,525
Fines - Vehicle Fund	13,500	13,500	8,752
Sex Offender Registration	500	500	320
Alpha Report Fees	100	100	-
Accident Reports Fees	2,000	2,000	2,156
Livescan Fingerprint Fee	-	-	(453)
Adjudication Revenue	24,000	24,000	49,209
Administrative Tow Fees	122,000	122,000	108,750
Other Fines	500	500	770
Other Income	250	250	15
Police Contributions/Donations	200	200	9,426
Total Police Department	366,250	366,250	391,328
Fire Department			
Smoke Detection Inspections	7,500	7,500	10,830
Fire Salary Reimbursement	-	-	197
Fire Grants	283,924	283,924	4,421
False Alarm Fines	500	500	200
Ambulance Service	340,000	340,000	396,794
Other Income	2,000	2,000	1,690
Total Fire Department	633,924	633,924	414,132
Total Public Safety	1,000,174	1,000,174	805,460
Public Works			
Park Rental Fees	750	750	950
Public Works Grants	6,500	26,500	4,421
Enforced Mowing	2,500	2,500	6,688
Bulk Waste Disposal	2,000	2,000	2,455
Other Income	-	-	147
Total Public Works	11,750	31,750	14,661

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Revenues by Function/Department - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Public Property			
Land Rental Fee	\$ 1,150	1,150	-
Hall Rental Fee	14,400	14,400	14,401
Total Public Property	15,550	15,550	14,401
Building Standards			
Business Registration Fee	10,500	10,500	16,063
Building Permits	160,000	160,000	139,842
Zoning Fees	5,000	5,000	10,616
Landlord License Registration	10,500	10,500	12,050
Adjudication - Code	20,000	20,000	15,825
Other Income	100	100	1,987
Total Building Standards	206,100	206,100	196,383
Employee Benefits			
Interest	100	100	144
Total Revenues by Function/Department	12,982,672	13,012,672	11,858,821

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
General Government			
General Administration			
General Activity			
Telephones - Office	\$ 1,900	1,900	9,229
Office Supplies	12,000	12,000	12,345
Office Equipment Purchase	1,500	1,500	(6,699)
Office Equipment Repairs and Maintenance	3,200	3,200	1,729
Postage	1,800	1,800	410
Hardware Purchase	3,000	3,000	-
Building/Property Improvements	325,000	325,000	25,784
Real Estate Tax Payments	9,000	9,000	312
General Supplies	500	500	-
General Liability Insurance	410,500	410,500	454,047
Legal Fees	55,000	55,000	96,508
Other Legal Costs	15,000	15,000	9,213
Memberships	-	-	250
Training and Registration	-	-	(688)
Other Fees and Services	78,000	78,000	50,140
Miscellaneous	-	-	1,966
Total General Activity	916,400	916,400	654,546
Support Staff			
Wages - Support Staff	29,936	29,936	32,749
Overtime - Support Staff	3,000	3,000	2,137
Stipends	600	600	600
Dental Insurance	389	389	-
Life Insurance and STD	138	138	-
Medical Insurance	6,535	6,535	-
IMRF	3,972	3,972	-
FICA	2,056	2,056	-
Medicare	534	534	-
Training and Schooling	1,000	1,000	-
Total Support Staff	48,160	48,160	35,486
Total General Administration	964,560	964,560	690,032

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
General Government - Continued			
Benefits			
General Activity			
Unemployment Insurance	\$ 20,000	20,000	2,579
Dental Insurance	-	-	64,583
Life and Disability Insurance	-	-	18,343
Compensation Pool	47,935	47,935	-
Medical Insurance - Village	-	-	1,085,350
IMRF	-	-	283,345
FICA	-	-	161,408
Medicare	-	-	86,785
Optional Insurance Premiums	-	-	(163)
Employee Deductible Reimbursement	180,000	180,000	186,637
Total Benefits	247,935	247,935	1,888,867
Board of Trustees			
General Activity			
Salary - Trustees	28,800	28,800	28,971
IMRF	-	580	-
FICA	1,786	1,786	-
Medicare	418	418	-
Conventions and Meetings	6,000	6,555	6,555
Total Board of Trustees	37,004	38,139	35,526
Village President			
General Activity			
Salary - President	13,200	13,200	13,279
Telephone - Mobile	1,000	1,000	778
Mileage	100	100	123
IMRF	1,602	1,602	-
FICA	827	827	-
Medicare	193	193	-
Memberships	100	100	270
Conventions and Meetings	2,000	2,000	1,696
Community Events	2,500	2,500	1,204
Travel and Lodging	1,650	1,650	1,264

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
General Government - Continued			
Village President - Continued			
General Activity - Continued			
Meals and Per Diem	\$ 750	750	313
Amenities for the Sick	700	700	1,053
Miscellaneous	100	100	-
Total General Activity	24,722	24,722	19,980
Liquor Control			
Salary - Liquor Commissioner	1,200	1,200	1,207
IMRF	118	118	-
FICA	66	66	-
Medicare	20	20	-
Total Liquor Control	1,404	1,404	1,207
Total Village President	26,126	26,126	21,187
Village Administrator			
Management			
Salary - Administrator	94,516	94,516	101,316
Telephone - Mobile	1,000	1,000	755
Vehicle Repair and Maintenance	1,000	1,000	-
Vehicle Fuel, Gas, Oil	500	500	48
Dental Insurance	777	777	-
Life and Disability Insurance	277	277	-
Medical Insurance	13,069	13,069	-
IMRF	12,174	12,174	-
FICA	6,476	6,476	-
Medicare	1,515	1,515	-
Memberships	750	750	1,085
Conventions and Meetings	2,000	2,000	1,787
Training and Registration	1,500	1,500	-
Meals and Per Diem	400	400	154
Total Village Administrator	135,954	135,954	105,145

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
General Government - Continued			
Legal			
General Activity			
Salary - Village Attorney	\$ 145,522	145,522	102,485
Wages - Paralegal	55,167	55,167	57,718
Overtime	-	-	1,711
Stipends	4,522	4,522	4,522
Dental Insurance	1,053	1,053	-
Life and Disability Insurance	553	553	-
IMRF	25,462	25,462	-
FICA	10,768	10,768	-
Medicare	3,010	3,010	-
Memberships	700	700	-
Conventions and Meetings	1,000	1,000	100
Other Fees and Services	3,500	3,500	-
Total Legal	251,257	251,257	166,536
Village Clerk			
General Activity			
Salary - Clerk	8,100	8,100	7,545
Mileage	-	-	291
Department Projects	2,000	2,000	-
FICA	465	465	-
Medicare	109	109	-
Memberships	500	500	310
Publications, Notices and Legal	4,500	4,500	-
Conventions and Meetings	1,000	1,000	65
Codification	3,000	3,000	5,263
Travel and Lodging	1,000	1,000	208
Meals and Per Diem	200	200	24
Total Village Clerk	20,874	20,874	13,706

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
General Government - Continued			
Village Treasurer			
General Activity			
Salary - Treasurer	\$ 119,380	119,380	128,074
Stipends	2,822	2,822	2,822
Telephone - Mobile	750	750	671
Mileage	700	700	414
Dental Insurance	777	777	-
Life and Disability Insurance	277	277	-
Health Insurance	19,887	19,887	-
IMRF	15,337	15,337	-
FICA	7,347	7,347	-
Medicare	2,210	2,210	-
Audit Fees	40,000	40,000	7,500
Memberships	440	440	440
Conventions and Meetings	950	950	1,380
Travel and Lodging	650	650	1,479
Meals and Per Diem	400	400	633
Total Village Treasurer	211,927	211,927	143,413
Public Benefit			
General Activity			
Salary - Police Pension Board	600	600	707
FICA	50	50	-
Medicare	15	15	-
Christmas Activities	5,000	5,000	5,825
Senior Citizen Activities	2,000	2,000	5,656
Community Calendar	4,500	4,500	4,191
Metro Transit Contribution	34,500	34,500	34,024
Engineer Cost	83,500	83,500	45,611
Other Fees and Services	-	10,000	8,924
Fire Pension Cost	126,915	126,915	127,168
Police Pension Cost	1,033,263	1,033,263	1,034,020
Community Garage Sale	-	-	112
Total General Activity	1,290,343	1,300,343	1,266,238

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
General Government - Continued			
Public Benefit - Continued			
Community Affairs			
Christmas Parade	\$ -	-	100
Miscellaneous Programs and Projects	-	-	60
	-	-	160
Summer Recreation			
Wages - Summer Recreation	7,000	7,000	6,814
FICA	434	434	-
Medicare	155	155	-
Program Supplies	1,500	1,500	1,419
Total Summer Recreation	9,089	9,089	8,233
Total Public Benefit	1,299,432	1,309,432	1,274,631
Total General Government	3,195,069	3,206,204	4,339,043
Public Safety			
Police Department			
General Activity			
Telephone - Mobile	21,000	21,000	19,626
Telephone - Office	10,000	10,000	41,684
Lead Communications	6,000	6,000	4,938
Vehicle Repair and Maintenance	70,000	70,000	40,744
Vehicle Fuel, Gas, Oil	80,000	80,000	56,133
Vehicle License	1,500	1,500	537
Equipment Repair	7,000	7,000	18,714
Equipment Purchase	32,950	32,950	165,936
Office Supplies	17,000	17,000	9,957
Office Equipment Purchase	1,800	1,800	1,178
Office Equipment Repair and Maint.	2,400	2,400	297
Department Projects	20,000	20,000	-
Postage	1,400	1,400	956
Software Purchase	15,000	15,000	924
Hardware Purchase	10,000	10,000	11,197

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
General Activity - Continued			
General Supplies	\$ 15,000	15,000	2,786
Medical Payments	1,500	1,500	1,109
Memberships	5,000	5,000	3,505
Publications and Notices	400	400	-
Training and Registration	17,000	17,000	9,637
Tuition Reimbursement	11,000	11,000	16,468
Travel and Lodging	-	-	696
Meals and Per Diem	1,800	1,800	2,573
Shooting Range	12,000	12,000	1,411
Other Fees and Services	50,000	50,000	62,373
Uniforms	14,000	14,000	15,979
Miscellaneous	700	700	848
Community Projects	13,000	13,000	3,637
Total General Activity	437,450	437,450	493,843
Management			
Salary - Management	346,322	346,322	326,651
Overtime - Management	-	-	63
Stipends	7,554	7,554	8,850
Dental Insurance	1,555	1,555	-
Life and Disability Insurance	828	828	-
Medical Insurance	32,956	32,956	-
FICA	7,347	7,347	-
Medicare	5,449	5,449	-
Total Management	402,011	402,011	335,564
Support Staff			
Wages - Support Staff	119,365	119,365	130,502
Overtime - Support Staff	3,000	3,000	7,891
Stipends	2,900	2,900	2,900

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Support Staff - Continued			
Life and Disability Insurance	\$ 276	276	-
IMRF	14,643	14,643	-
FICA	7,587	7,587	-
Medicare	1,775	1,775	-
Total Support Staff	149,546	149,546	141,293
Supervisory Staff			
Wages - Supervisory Staff	618,752	618,752	693,235
Overtime	45,000	45,000	70,840
Stipends	13,650	13,650	15,450
Court Pay	3,000	3,000	836
Shift Premium	5,000	5,000	30,906
Dental Insurance	5,440	5,440	-
Life and Disability Insurance	1,932	1,932	-
Medical Insurance	126,261	126,261	-
Medicare	9,689	9,689	-
Total Supervisory Staff	828,724	828,724	811,267
Patrol Officers			
Wages - Patrol Officers	1,639,042	1,639,042	1,474,279
Overtime	80,000	80,000	136,234
Premium Overtime	1,500	1,500	646
Stipends	44,850	44,850	63,200
Court Pay	10,000	10,000	6,997
Shift Premium	17,000	17,000	101,652
Dental Insurance	16,091	16,091	-
Life and Disability Insurance	6,349	6,349	-
Medical Insurance	399,484	399,484	-
Medicare	25,433	25,433	-
Total Patrol Officers	2,239,749	2,239,749	1,783,008

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Dispatch			
Wages - Dispatch	\$ 515,756	515,756	465,167
Overtime	25,000	25,000	30,842
Stipends	14,600	14,600	15,200
Shift Premium	7,500	7,500	70,164
Dental Insurance	7,269	7,269	-
Life and Disability Insurance	2,760	2,760	-
Medical Insurance	166,159	166,159	-
IMRF	67,317	67,317	-
FICA	33,986	33,986	-
Medicare	7,949	7,949	-
Total Dispatch	848,296	848,296	581,373
Part-Time Personnel			
Wages - Crossing Guards	26,000	26,000	20,447
FICA	1,612	1,612	-
Medicare	377	377	-
Total Part-Time Personnel	27,989	27,989	20,447
Community Service Officer			
Animal Control Expenditures	8,000	8,000	3,038
Total Police Department	4,941,765	4,941,765	4,169,833
Fire and Police Commission			
General Activity			
Salary - Fire and Police Commission	3,280	3,280	4,693
Overtime - Secretary	500	500	-
Mileage	200	200	-
Office Supplies	-	-	572
Postage	150	150	17
FICA	155	155	-
Medicare	37	37	-
Memberships	375	375	375
Publications and Notices	300	3,800	3,484
Conventions and Meetings	1,000	1,000	610

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire and Police Commission - Continued			
General Activity - Continued			
Recruit Testing	\$ 12,000	12,000	12,518
Training and Schooling	1,000	1,000	-
Travel and Lodging	1,000	1,000	-
Meals and Per Diem	260	260	-
Other Fees and Services	-	-	1,103
Total Fire and Police Commission	20,257	23,757	23,372
Fire Department			
General Activity			
Telephone - Mobile	5,000	5,000	5,717
Telephone - Office	350	350	986
Vehicle Repair and Maintenance	50,000	50,000	37,604
Vehicle Fuel, Gas and Oil	12,000	12,000	9,680
Equipment Repair	10,000	10,000	4,221
Equipment Purchase	338,120	338,120	91,734
Office Supplies	4,000	4,000	3,811
Office Equipment Purchase	2,000	2,000	187
Office Equipment Repair and Maint.	1,000	1,000	128
Software Maintenance	9,000	9,000	6,515
Hardware Maintenance	3,000	3,000	68
Postage	300	300	-
Hardware Purchase	3,500	3,500	2,010
General Supplies	3,000	3,000	2,068
Training and Registration	12,000	12,000	4,683
Travel and Lodging	500	500	-
Meals and Per Diem	500	500	172
Training Materials\	4,000	4,000	3,178
Training Equipment	2,500	2,500	(17)
Equipment Testing Service	12,000	12,000	11,135
Other Fees and Services	9,200	9,200	5,285
Andre Medical Billing Service	25,000	25,000	26,465
Miscellaneous	500	500	814
Total General Activity	507,470	507,470	216,444

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Management			
Salary - Management	\$ 117,418	117,418	124,779
Wages - FD Officer	8,000	8,000	3,804
Stipends	1,200	1,200	1,200
Dental Insurance	777	777	-
Life and Disability Insurance	277	277	-
Medical Insurance	19,887	19,887	-
FICA	500	500	-
Medicare	1,860	1,860	-
Memberships	1,200	1,200	710
Publications and Notices	1,000	1,000	454
Travel and Lodging	500	500	-
Meals and Per Diem	200	200	-
Total Management	152,819	152,819	130,947
Support Staff			
Wages - Support Staff	53,445	53,445	55,983
Overtime - Support Staff	1,000	1,000	49
Stipends	1,200	1,200	1,200
Dental Insurance	777	777	-
Life and Disability Insurance	277	277	-
Medical Insurance	19,887	19,887	-
IMRF	6,556	6,556	-
FICA	3,314	3,314	-
Medicare	775	775	-
Total Support Staff	87,231	87,231	57,232
Fire Suppression/Rescue			
Wages - Paid on Call	165,000	165,000	95,726
POC Accident and Health	4,500	4,500	-
FICA	10,230	10,230	-
Medicare	2,394	2,394	-
Uniforms	2,500	2,500	1,019
Total Fire Suppression/Rescue	184,624	184,624	96,745

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
EMS			
Wages - EMS	\$ 335,619	335,619	357,188
Wages - Part-Time EMS	22,000	22,000	25,218
Overtime - EMS	70,000	70,000	79,431
Stipends	14,000	14,000	14,350
Longevity - EMS	6,944	6,944	4,091
Dental Insurance	4,663	4,663	-
Life and Disability Insurance	1,656	1,656	-
Medical Insurance	100,939	100,939	-
FICA	2,000	2,000	-
Medicare	6,000	6,000	-
Medical Payments	-	-	2,783
Medical Supplies	10,000	10,000	7,090
Medical Equipment	8,000	8,000	4,290
Uniform Cleaning	300	300	16
Miscellaneous	200	200	51
Total EMS	582,321	582,321	494,508
Total Fire Department	1,514,465	1,514,465	995,876
Total Public Safety	6,476,487	6,479,987	5,189,081
Public Works			
General Activity			
Telephone - Mobile	1,500	1,500	1,791
Telephone - Office	5,000	5,000	10,335
Electric	5,000	5,000	5,026
Water and Sewer	2,750	2,750	2,265
Vehicle Fuel, Gas and Oil	50,000	50,000	30,173
Vehicle Purchase	63,373	63,373	35,396
Office Supplies	700	700	399
Computer Hardware	2,000	2,000	974
Building Repair and Maintenance	6,000	6,000	8,417
Exterminating	4,750	4,750	2,260
Tree Removal	45,000	45,000	29,892
Leaf Disposal	15,000	15,000	8,400

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Public Works - Continued			
General Activity - Continued			
Other Fees and Services	\$ -	-	1,145
Lien Filing Fee	-	-	(481)
Total General Activity	201,073	201,073	135,992
Management			
Salary - Management	134,241	117,241	108,813
Stipends	1,961	1,961	1,961
Dental Insurance	1,166	1,166	-
Life and Disability Insurance	414	414	-
Medical Insurance	19,887	19,887	-
IMRF	16,812	16,812	-
FICA	8,307	8,307	-
Medicare	2,011	2,011	-
Memberships	500	500	184
Conventions and Meetings	400	400	204
Meals and Per Diem	100	100	6
Total Management	185,699	168,699	111,162
Street Lighting			
Electric - Street Lights	93,000	93,000	107,519
Traffic Light Repair	40,000	40,000	43,606
Street Light Repair and Maintenance	20,000	70,000	11,087
Total Street Lighting	153,000	203,000	162,212
Street and Alley Maintenance			
Wages - Street Alley	520,207	520,207	555,990
Wages - Part-Time	19,200	19,200	7,522
Overtime - Street Alley	12,000	12,000	6,933
Premium Overtime	3,000	3,000	5,244
Stipends	19,150	19,150	18,918
Vehicle Repair and Maintenance	50,000	50,000	30,294
Equipment Repair	45,000	45,000	23,843
Stormwater Projects	140,000	140,000	134,914
Street Construction	25,000	-	126
Street Maintenance and Repair	60,000	60,000	4,838
Alley Maintenance and Repair	7,500	7,500	2,231

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Public Works - Continued			
Street and Alley Maintenance - Continued			
Equipment Purchase	\$ 191,000	191,000	33,143
Equipment Rental	4,000	4,000	2,749
Bulk Waste Disposal	10,000	10,000	13,639
Gravel and Sand	1,000	1,000	451
Salt	75,000	75,000	57,274
General Supplies	10,000	10,000	9,636
Dental Insurance	5,488	5,488	-
Life and Disability Insurance	2,484	2,484	-
Medical Insurance	109,515	109,515	-
IMRF	65,688	65,688	-
FICA	33,183	33,183	-
Medicare	7,761	7,761	-
Training and Schooling	1,000	1,000	117
Total Street and Alley Maintenance	1,417,176	1,392,176	907,862
Facility Maintenance			
Electric	600	600	811
Water and Sewer	5,000	5,000	9,782
Parks and Lawn Maintenance	100,000	100,000	76,705
Building/Property Maintenance	55,000	55,000	72,848
General Supplies	20,000	20,000	18,316
Other Fees and Services	15,000	20,985	20,932
Total Facility Maintenance	195,600	201,585	199,394
Total Public Works	2,152,548	2,166,533	1,516,622
Building Standards			
General Activity			
Telephone - Mobile	4,800	4,800	4,959
Telephone - Office	800	800	1,480
Vehicle Repair and Maintenance	2,000	2,000	1,383
Vehicle Fuel, Gas and Oil	3,400	3,400	3,089
Mileage	500	500	468
Vehicle Purchase	45,000	45,000	43,680
Equipment Purchase	1,000	1,000	128
Office Supplies	6,000	6,000	4,833

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Building Standards - Continued			
General Activity - Continued			
Office Equipment Purchase	\$ 2,500	2,500	2,325
Office Equipment Repair and Maintenance	2,000	2,000	2,741
Postage	1,350	1,350	1,206
Hardware Purchase	2,000	2,000	1,890
Demolition	50,000	50,000	39,664
General Supplies	500	500	602
Memberships	500	500	480
Plan Review Architect Fees	-	-	6,500
Other Fees and Services	3,000	3,000	-
Miscellaneous	100	100	100
Total General Activity	125,450	125,450	115,528
Management			
Salary - Management	97,011	97,011	105,843
Stipends	1,200	1,200	1,700
Dental Insurance	777	777	-
Life and Disability Insurance	277	277	-
Medical Insurance	13,069	13,069	-
IMRF	12,463	12,463	-
FICA	6,299	6,299	-
Medicare	1,474	1,474	-
Literature and Periodicals	500	500	244
Conventions and Meetings	-	-	41
Training and Schooling	1,800	1,800	619
Travel and Lodging	500	500	334
Meals and Per Diem	100	100	66
Total Management	135,470	135,470	108,847
Support Staff			
Wages - Support Staff	291,570	313,570	313,253
Wages - Part-Time - Support Staff	39,325	39,325	34,617
Overtime - Support Staff	750	750	390
Stipends	6,000	6,000	6,000
Mileage	2,900	2,900	2,887
Dental Insurance	2,607	2,607	-
Life and Disability Insurance	1,380	1,380	-

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Building Standards - Continued			
Support Staff - Continued			
Medical Insurance	\$ 60,476	60,476	-
IMRF	35,766	37,766	-
FICA	18,078	20,878	-
Medicare	4,228	4,903	-
Total Support Staff	463,080	490,555	357,147
Planning Commission			
Salary - Plan Commission	5,000	5,000	3,020
Postage	4,500	4,500	3,232
FICA	310	310	-
Medicare	75	75	-
Total Plan Commission	9,885	9,885	6,252
Total Building Standards	733,885	761,360	587,774
Information Technology			
General Activity			
Wages - Information Technology	70,229	70,229	74,638
Stipends	2,052	2,052	2,011
Contract Labor	6,500	23,500	22,775
Telephone - Mobile	800	800	1,129
Telephone - Office	500	500	-
Tech Support Modem	850	850	732
Internet Access	3,250	3,250	4,204
Mileage	300	300	205
Equipment Purchase	700	700	294
Office Supplies	600	600	267
Software Maintenance	30,000	30,000	34,632
Hardware Maintenance	500	500	365
Department Projects	15,000	15,000	14,925
Software Purchase	400	400	310
Hardware Purchase	2,500	2,500	3,199
Dental Insurance	777	777	-
Life and Disability Insurance	277	277	-
Medical Insurance	13,069	13,069	-

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Information Technology - Continued			
General Activity - Continued			
IMRF	\$ 8,615	8,615	-
FICA	4,670	4,670	-
Medicare	1,093	1,093	-
Meals and Per Diem	500	500	-
Total Information Technology	163,182	180,182	159,686
Employee Benefits			
Payment to VEBA	12,500	90,000	86,757
Transfer to Retiree Health Insurance	500,000	500,000	500,000
Total Employee Benefits	512,500	590,000	586,757
Debt Service			
Principal Payment	-	-	43,703
Interest and Fiscal Charges	-	-	2,767
Total Debt Service	-	-	46,470
Total Expenditures	13,233,671	13,384,266	12,425,433

VILLAGE OF BRADLEY, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

April 30, 2017

			Special
	Motor	Foreign Fire	Police
	Fuel	Insurance	Seizure
	Tax		
ASSETS			
Cash and Cash Equivalents	\$ 612,322	34,941	51,995
Receivables - Net of Allowances			
Other Taxes	34,802	-	-
Prepays	34,938	-	-
Total Assets	<u>682,062</u>	<u>34,941</u>	<u>51,995</u>
LIABILITIES			
Accounts Payable	-	-	1,761
Due to Other Funds	127,345	-	32,278
Total Liabilities	<u>127,345</u>	<u>-</u>	<u>34,039</u>
FUND BALANCES			
Nonspendable	34,938	-	-
Restricted	519,779	34,941	17,956
Total Fund Balances	<u>554,717</u>	<u>34,941</u>	<u>17,956</u>
Total Liabilities and Fund Balances	<u>682,062</u>	<u>34,941</u>	<u>51,995</u>

Revenue					
Cell Tower	L Power Rd. TIF	Scrap Metal	Debt Service GO Bond	Capital Projects	Totals
15,663	19,535	19,586	2,730	158,128	914,900
-	-	-	-	21,151	55,953
-	-	-	-	-	34,938
15,663	19,535	19,586	2,730	179,279	1,005,791
1,285	-	-	-	4,304	7,350
-	-	-	-	-	159,623
1,285	-	-	-	4,304	166,973
-	-	-	-	-	34,938
14,378	19,535	19,586	2,730	174,975	803,880
14,378	19,535	19,586	2,730	174,975	838,818
15,663	19,535	19,586	2,730	179,279	1,005,791

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, 2017**

	Special		
	Motor Fuel Tax	Foreign Fire Insurance	Police Seizure
Revenues			
Taxes	\$ -	16,466	-
Intergovernmental	421,550	-	-
Fines and Forfeitures	-	-	1,645
Interest	2,680	30	50
Miscellaneous	3,263	-	13,121
Total Revenues	<u>427,493</u>	<u>16,496</u>	<u>14,816</u>
Expenditures			
Public Safety	-	7,752	28,594
Public Works	436,826	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>436,826</u>	<u>7,752</u>	<u>28,594</u>
Net Change in Fund Balances	(9,333)	8,744	(13,778)
Fund Balances - Beginning	<u>564,050</u>	<u>26,197</u>	<u>31,734</u>
Fund Balances - Ending	<u><u>554,717</u></u>	<u><u>34,941</u></u>	<u><u>17,956</u></u>

Revenue					
Cell Tower	L Power Rd. TIF	Scrap Metal	Debt Service GO Bonds	Capital Projects	Totals
-	2,234	-	-	178,318	197,018
-	-	-	-	13,170	434,720
-	-	-	-	-	1,645
66	28	28	-	216	3,098
33,000	-	652	-	1,841	51,877
33,066	2,262	680	-	193,545	688,358
-	-	-	-	-	36,346
51,450	-	-	-	-	488,276
-	-	-	-	145,945	145,945
51,450	-	-	-	145,945	670,567
(18,384)	2,262	680	-	47,600	17,791
32,762	17,273	18,906	2,730	127,375	821,027
14,378	19,535	19,586	2,730	174,975	838,818

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, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 429,680	429,680	421,550
Interest	200	200	2,680
Miscellaneous	-	-	3,263
Total Revenues	<u>429,880</u>	<u>429,880</u>	<u>427,493</u>
Expenditures			
Public Works			
Annual Maintenance - Contractors	350,000	396,111	387,128
Annual Maintenance - Engineers	39,000	39,000	44,433
Alley Improvements	15,000	15,000	-
Road Signs	10,000	10,000	5,265
Total Expenditures	<u>414,000</u>	<u>460,111</u>	<u>436,826</u>
Net Change in Fund Balance	<u>15,880</u>	<u>(30,231)</u>	(9,333)
Fund Balance - Beginning			<u>564,050</u>
Fund Balance - Ending			<u>554,717</u>

VILLAGE OF BRADLEY, ILLINOIS

Cell Tower - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	66
Miscellaneous	33,000	33,000	33,000
Total Revenues	33,000	33,000	33,066
Expenditures			
Public Works			
Fees and Services	65,000	65,000	51,450
Net Change in Fund Balance	<u>(32,000)</u>	<u>(32,000)</u>	(18,384)
Fund Balance - Beginning			<u>32,762</u>
Fund Balance - Ending			<u>14,378</u>

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, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 105,000	105,000	178,318
Intergovernmental	66,000	66,000	13,170
Interest	100	100	216
Miscellaneous	25,000	25,000	1,841
Total Revenues	196,100	196,100	193,545
Expenditures			
Capital Outlay	183,000	183,000	145,945
Net Change in Fund Balance	13,100	13,100	47,600
Fund Balance - Beginning			127,375
Fund Balance - Ending			174,975

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, 2017**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,577,909	1,577,909	1,479,738
Other Revenue	80,000	80,000	73,825
Total Operating Revenues	<u>1,657,909</u>	<u>1,657,909</u>	<u>1,553,563</u>
Operating Expenses			
Operations			
Operations and Management			
General Activity	1,431,588	1,431,588	1,290,470
Management	77,418	77,418	55,187
Support Staff	113,109	113,109	85,404
Sewer Maintenance	1,076,707	1,076,707	623,139
Depreciation	375,000	375,000	388,266
Amortization	-	-	(14,030)
Total Operating Expenses	<u>3,073,822</u>	<u>3,073,822</u>	<u>2,428,436</u>
Operating Income (Loss)	<u>(1,415,913)</u>	<u>(1,415,913)</u>	<u>(874,873)</u>
Nonoperating Revenues (Expenses)			
Investment Income	-	-	271
Property Taxes	399,099	399,099	399,363
Tap-On Fees	40,000	40,000	22,400
Principal Retirement	(215,000)	(215,000)	-
Interest and Fiscal Charges	(184,100)	(184,100)	(159,838)
	<u>39,999</u>	<u>39,999</u>	<u>262,196</u>
Change in Net Position	<u>(1,375,914)</u>	<u>(1,375,914)</u>	<u>(612,677)</u>
Net Position - Beginning			<u>1,726,285</u>
Net Position - Ending			<u><u>1,113,608</u></u>

VILLAGE OF BRADLEY, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Operations and Maintenance			
General Activity			
Telephone - Office	\$ 1,000	1,000	4,980
J.U.L.I.E. Locates	3,000	3,000	2,798
Electric	8,000	8,000	9,787
Heating Gas	2,500	2,500	-
Water and Sewer	1,000	1,000	895
Vehicle Fuel, Gas and Oil	9,000	9,000	74
Equipment Repair	1,000	1,000	377
Equipment Purchase	87,588	87,588	3,554
Office Supplies	1,000	1,000	452
Postage	22,000	22,000	27,175
Hardware Purchase	1,000	1,000	32
General Supplies	1,000	1,000	110
Audit Fees	6,000	6,000	6,000
Exterminating	1,000	1,000	-
Engineering Service	87,500	87,500	40,373
Other Fees and Services	32,000	32,000	34,867
Compensated Absences	-	-	(5,004)
Direct Debt Service	3,000	3,000	-
Metro Sewer Service	1,164,000	1,164,000	1,164,000
Total General Activity	1,431,588	1,431,588	1,290,470
Management			
Salary - Management	59,510	59,510	51,198
Stipends	1,834	1,834	1,961
Telephone - Mobile	1,000	1,000	1,866
Vehicle Repair and Maintenance	1,000	1,000	162
Dental Insurance	389	389	-
Life Insurance and STD	138	138	-
IMRF	7,645	7,645	-
FICA	3,674	3,674	-
Medicare	928	928	-
Memberships	300	300	-
Conventions and Meetings	400	400	-
Training and Schooling	500	500	-
Meals	100	100	-
Total Management	77,418	77,418	55,187

VILLAGE OF BRADLEY, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Operations and Maintenance - Continued			
Support Staff			
Wages - Support Staff	\$ 74,947	74,947	79,251
Overtime - Support Staff	-	-	4,353
Stipends	1,800	1,800	1,800
Dental Insurance	1,166	1,166	-
Life Insurance and STD	414	414	-
Medical Insurance	19,604	19,604	-
IMRF	9,194	9,194	-
FICA	4,647	4,647	-
Medicare	1,087	1,087	-
Training and Schooling	250	250	-
Total Support Staff	113,109	113,109	85,404
Sewer Maintenance			
Wages - Sewer Maintenance	241,791	241,791	219,237
Overtime - Sewer Maintenance	7,500	7,500	3,896
Premium Overtime	4,000	4,000	5,389
Stipends	6,400	6,400	5,850
Vehicle Repair and Maintenance	7,500	7,500	5,965
Equipment Repair	15,000	15,000	2,940
Equipment Purchase	5,000	5,000	4,054
Equipment Rental	1,000	1,000	-
Department Projects	400,000	400,000	-
Sewer Main Maintenance	240,000	240,000	77,946
Gravel and Sand	1,000	1,000	1,324
General Supplies	8,000	8,000	4,596
Dental Insurance	3,109	3,109	5,682
Life Insurance and STD	1,104	1,104	1,726
Medical Insurance	78,828	78,828	94,022
IMRF	31,098	31,098	162,699
FICA	15,704	15,704	21,389
Medicare	3,673	3,673	5,135
Training and Schooling	1,000	1,000	-
Chemicals	5,000	5,000	1,289
Total Sewer Maintenance	1,076,707	1,076,707	623,139
Total Operations and Maintenance	2,698,822	2,698,822	2,054,200

VILLAGE OF BRADLEY, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Depreciation	\$ 375,000	375,000	388,266
Amortization	-	-	(14,030)
Total Operating Expenses	3,073,822	3,073,822	2,428,436

VILLAGE OF BRADLEY, ILLINOIS

Pension and Other Post-Employment Benefit Trust Funds

Combining Statement of Fiduciary Net Position

April 30, 2017

	Pension Trust		Other Post-Employment Benefit Trust	Totals
	Police Pension	Firefighters' Pension	OPEB	
ASSETS				
Cash and Cash Equivalents	\$ 735,509	114,801	2,328,896	3,179,206
Investments				
U.S. Treasury Obligations	967,763	144,235	-	1,111,998
U.S. Agency Obligations	2,931,411	168,320	-	3,099,731
Corporate Bonds	1,445,607	235,154	-	1,680,761
Municipal Bonds	476,341	162,696	-	639,037
Mutual Funds	8,639,330	77,042	-	8,716,372
Insurance Contract	1,130,299	-	-	1,130,299
Receivables - Net of Allowance				
Accrued Interest	4,208	-	-	4,208
Total Assets	16,330,468	902,248	2,328,896	19,561,612
LIABILITIES				
Accounts Payable	-	-	8,377	8,377
Due to Other Funds	38	-	-	38
Total Liabilities	38	-	8,377	8,415
NET POSITION				
Net Position Restricted for Pensions and Other Post-Employment Benefits	16,330,430	902,248	2,320,519	19,553,197

VILLAGE OF BRADLEY, ILLINOIS

Pension and Other Post-Employment Benefit Trust Funds

**Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2017**

	Pension Trust		Other Post-Employment Benefit Trust	Totals
	Police Pension	Firefighters' Pension	OPEB	
Additions				
Contributions - Employer	\$ 1,034,020	127,168	500,000	1,661,188
Contributions - Plan Members	336,843	44,180	-	381,023
Total Contributions	1,370,863	171,348	500,000	2,042,211
Investment Income				
Interest Earned	464,530	20,385	2,453	487,368
Net Change in Fair Value	1,038,937	(2,836)	-	1,036,101
	1,503,467	17,549	2,453	1,523,469
Less Investment Expenses	(43,748)	(7,573)	-	(51,321)
Net Investment Income	1,459,719	9,976	2,453	1,472,148
Total Additions	2,830,582	181,324	502,453	3,514,359
Deductions				
Administration	20,642	2,633	-	23,275
Benefits and Refunds	973,185	-	394,813	1,367,998
Total Deductions	993,827	2,633	394,813	1,391,273
Changes in Fiduciary Net Position	1,836,755	178,691	107,640	2,123,086
Net Position Restricted for Pensions and Other Post-Employment Benefits				
Beginning	14,493,675	723,557	2,212,879	17,430,111
Ending	16,330,430	902,248	2,320,519	19,553,197

VILLAGE OF BRADLEY, ILLINOIS

Police Pension - Pension Trust Fund

**Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 1,033,263	1,033,263	1,034,020
Contributions - Plan Members	242,624	242,624	336,843
Total Contributions	<u>1,275,887</u>	<u>1,275,887</u>	<u>1,370,863</u>
Investment Income			
Interest Income	200,000	200,000	464,530
Net Change in Fair Value	50,000	50,000	1,038,937
	<u>250,000</u>	<u>250,000</u>	<u>1,503,467</u>
Less Investment Expenses	<u>(150,000)</u>	<u>(150,000)</u>	<u>(43,748)</u>
Net Investment Income	<u>100,000</u>	<u>100,000</u>	<u>1,459,719</u>
Total Additions	<u>1,375,887</u>	<u>1,375,887</u>	<u>2,830,582</u>
Deductions			
Administration	23,795	23,795	20,642
Benefits and Refunds	933,376	933,376	973,185
Total Deductions	<u>957,171</u>	<u>957,171</u>	<u>993,827</u>
Change in Fiduciary Net Position	<u>418,716</u>	<u>418,716</u>	1,836,755
Net Position Restricted for Pensions			
Beginning			<u>14,493,675</u>
Ending			<u>16,330,430</u>

VILLAGE OF BRADLEY, ILLINOIS

Firefighters' Pension - Pension Trust Fund

**Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 126,915	126,915	127,168
Contributions - Plan Members	38,163	38,163	44,180
Total Contributions	165,078	165,078	171,348
Investment Income			
Interest Income	22,000	22,000	20,385
Net Change in Fair Value	(20,000)	(20,000)	(2,836)
	2,000	2,000	17,549
Less Investment Expenses	(6,000)	(8,000)	(7,573)
Net Investment Income	(4,000)	(6,000)	9,976
Total Additions	161,078	159,078	181,324
Deductions			
Administration	3,195	3,195	2,633
Benefits and Refunds	-	-	-
Total Deductions	3,195	3,195	2,633
Change in Fiduciary Net Position	157,883	155,883	178,691
Net Position Restricted for Pensions			
Beginning			<u>723,557</u>
Ending			<u><u>902,248</u></u>

VILLAGE OF BRADLEY, ILLINOIS

OPEB - Other Post-Employment Benefit Trust Fund

**Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 500,000	500,000	500,000
Contributions - Plan Members	-	-	-
Total Contributions	500,000	500,000	500,000
Investment Income			
Interest Income	1,000	1,000	2,453
Net Change in Fair Value	-	-	-
	1,000	1,000	2,453
Less Investment Expenses	-	-	-
Net Investment Income	1,000	1,000	2,453
Total Additions	501,000	501,000	502,453
Deductions			
Administration	-	-	-
Benefits and Refunds	375,418	410,418	394,813
Total Deductions	375,418	410,418	394,813
Change in Fiduciary Net Position	125,582	90,582	107,640
Net Position Restricted for Other Post-Employment Benefits			
Beginning			2,212,879
Ending			2,320,519

SUPPLEMENTAL SCHEDULES

VILLAGE OF BRADLEY, ILLINOIS

Schedule of Long-Term Debt Requirements

Tax Increment Revenue Bonds of 2007

April 30, 2017

Date of Issue	August 27, 2007
Date of Maturity	January 1, 2027
Authorized Issue	\$9,500,000
Denomination of Bonds	\$5,000
Interest Rate	6.50%
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

Fiscal Year	Requirements		
	Principal	Interest	Totals
2018	\$ 320,000	274,500	594,500
2019	345,000	254,980	599,980
2020	370,000	233,934	603,934
2021	400,000	211,366	611,366
2022	425,000	186,964	611,964
2023	460,000	161,040	621,040
2024	495,000	132,980	627,980
2025	530,000	102,786	632,786
2026	560,000	70,454	630,454
2027	595,000	36,296	631,296
	<u>4,500,000</u>	<u>1,665,300</u>	<u>6,165,300</u>

VILLAGE OF BRADLEY, ILLINOIS

Schedule of Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2015A
April 30, 2017**

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

Fiscal Year	Requirements		Totals
	Principal	Interest	
2018	\$ 250,000	150,550	400,550
2019	255,000	145,550	400,550
2020	260,000	137,900	397,900
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>4,260,000</u>	<u>1,301,000</u>	<u>5,561,000</u>

VILLAGE OF BRADLEY, ILLINOIS

Schedule of Long-Term Debt Requirements

Street Sweeper Capital Lease

April 30, 2017

Date of Issue	August 20, 2013
Date of Maturity	August 20, 2019
Authorized Issue	\$159,860
Interest Rate	2.55%
Interest Dates	August 20
Principal Maturity Date	August 20
Payable at	Peoples Bank of Kankakee County

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2018	\$ 26,961	1,412	28,373
2019	27,658	715	28,373
	54,619	2,127	56,746

VILLAGE OF BRADLEY, ILLINOIS

Schedule of Long-Term Debt Requirements

Vactor Capital Lease

April 30, 2017

Date of Issue	July 24, 2013
Date of Maturity	July 24, 2013
Authorized Issue	\$272,832
Interest Rate	2.73%
Interest Dates	July 24
Principal Maturity Date	July 24
Payable at	Peoples Bank of Kankakee County

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal</u> <u>Year</u>	<u>Requirements</u>		<u>Totals</u>
	<u>Principal</u>	<u>Interest</u>	
2018	\$ 56,036	1,554	57,590