

VILLAGE OF BRADLEY, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED

APRIL 30, 2018

VILLAGE OF BRADLEY, ILLINOIS

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INTRODUCTORY SECTION

VILLAGE OF BRADLEY, ILLINOIS

**List of Principal Officials
April 30, 2018**

LEGISLATIVE

Mayor: Bruce Adams

Village Clerk: Michael LaGesse

BOARD OF TRUSTEES

Mike Watson

Lori Gadbois

Gerald Balthazor

Don Barber

Bob Redmond

Nick Allen

ADMINISTRATIVE

Village Administrator

Catherine Wojnarowski

Building Standards Supt/Zoning Administrator

Don Pallissard

Director of Public Works

Terry Memenga

Chief of Police

Michael Johnston

Fire Chief

James Travis

Finance Director

Brian Patoska

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

October 17, 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, 2018, 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, 2018, 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 introductory section, combining and individual fund financial statements and budgetary comparison schedules, 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, 2018

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, 2018. Since the Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Village's financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the Village of Bradley were lower than its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$584,343 (net position). This is a decrease of \$2,127,326 from Fiscal Year 2017's (FY17's) net position. This decrease is mainly caused by an increase in of \$4,368,245 in the Net Pension Liability of the Police Pension Fund.
- The Village of Bradley's business-type activities saw a decrease in net position of \$464,822. 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 \$1,492,177 while operating expenses totaled \$2,264,783. The Sewer Fund also received \$399,038 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 \$6,201,644 a decrease of \$955,611 from the prior year. Increasing cost of operation has outpaced revenue growth for several years. Tax revenue came in at \$10,721,064 during the fiscal year or 2.8% higher than the prior fiscal year. However, expenditures increased 6.6% during the same time period. Expenditure increases are driven in large part by contractual commitments and rising pension funding obligations. Village staff and elected officials have developed and are administering a financial reform plan for the General Fund.
- The Village of Bradley's governmental activity debt decreased by \$351,341 during the current fiscal year and business-type debt decreased by \$320,066. These reductions were the result of regularly scheduled principal payments.
- The State Rte. 50 TIF ended the fiscal year with a fund balance of \$995,207. This is an increase of \$9,323 from the previous year. At fiscal year end, the State Rte. 50 TIF recognized a liability due to other taxing bodies of \$182,419.
- The Village decreased beginning net position by \$1,213,208 due to an error in recognition of prior year liabilities for the TIF Revenue notes payable.

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

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, 2018

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, 2018**

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 | |
|---------------------------|------------------------------------|-----------------------|-------------------------------------|-------------------|-------------------------------------|---------------------|
| | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 |
| Assets: | | | | | | |
| Current and Other | \$ 14,529,586 | \$ 13,053,543 | \$ 663,782 | \$ 208,484 | \$ 15,193,368 | \$ 13,262,027 |
| Capital | 21,451,670 | 21,256,367 | 5,718,029 | 5,395,361 | 27,169,699 | 26,651,728 |
| Total Assets | <u>35,981,256</u> | <u>34,309,910</u> | <u>6,381,811</u> | <u>5,603,845</u> | <u>42,363,067</u> | <u>39,913,755</u> |
| Deferred Outflows: | | | | | | |
| Pensions | 2,301,048 | 5,580,944 | 108,541 | 87,212 | 2,409,589 | 5,668,156 |
| Total Deferred Outflows | <u>2,301,048</u> | <u>5,580,944</u> | <u>108,541</u> | <u>87,212</u> | <u>2,409,589</u> | <u>5,668,156</u> |
| Liabilities: | | | | | | |
| Current Liabilities | 5,852,762 | 5,675,847 | 420,577 | 357,985 | 6,273,339 | 6,033,832 |
| Long-term Liabilities | 27,216,564 | 30,667,161 | 454,953 | 4,094,562 | 27,671,517 | 34,761,723 |
| Total Liabilities | <u>33,069,326</u> | <u>36,343,008</u> | <u>875,530</u> | <u>4,452,547</u> | <u>33,944,856</u> | <u>40,795,555</u> |
| Deferred Inflows: | | | | | | |
| Unavailable Real Estate | | | | | | |
| Taxes | 2,088,894 | 2,155,659 | 400,803 | 400,794 | 2,489,697 | 2,556,453 |
| Pensions | 1,355,077 | 2,625,316 | 5,841 | 188,930 | 1,360,918 | 2,814,246 |
| Total Deferred Inflows | <u>3,443,971</u> | <u>4,780,975</u> | <u>406,644</u> | <u>589,724</u> | <u>2,489,697</u> | <u>5,370,699</u> |
| Net Position: | | | | | | |
| Net Investment in Capital | | | | | | |
| Assets | 7,630,658 | 6,813,120 | 1,205,573 | 1,202,971 | 8,836,231 | 8,016,091 |
| Restricted for | | | | | | |
| Economic Development | 53,499 | 87,818 | | | 53,499 | 87,818 |
| Street Maintenance | 519,779 | 444,663 | | | 519,779 | 444,663 |
| Capital Projects | 174,975 | 290,131 | | | 174,975 | 290,131 |
| Infrastructure/Develop | 165,399 | 16,042 | | | 165,399 | 16,042 |
| Parks | 200,473 | - | | | 200,473 | - |
| Public Safety | 55,147 | 68,024 | | | 55,147 | 68,024 |
| Unrestricted | <u>(7,157,347)</u> | <u>(8,952,927)</u> | <u>(91,965)</u> | <u>(554,185)</u> | <u>(7,249,312)</u> | <u>(9,507,112)</u> |
| Total Net Position | <u>\$ 1,642,583</u> | <u>\$ (1,233,129)</u> | <u>\$ 1,113,608</u> | <u>\$ 648,786</u> | <u>\$ 2,756,191</u> | <u>\$ (584,343)</u> |

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

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 | |
|------------------------------------|------------------------------------|--------------------|-------------------------------------|------------------|-------------------------------------|--------------------|
| | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 |
| REVENUES | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 1,392,879 | \$ 1,543,370 | \$ 1,575,963 | \$ 1,549,751 | \$ 2,968,842 | \$ 3,093,121 |
| Capital Grants/ Contributions | - | 155,000 | - | - | - | 155,000 |
| Operating Grants/ Contributions | 447,983 | 426,100 | | | 447,983 | 426,100 |
| General Revenues: | | | | | | |
| Property Taxes | 3,327,620 | 3,223,004 | 399,363 | 399,038 | 3,726,983 | 3,622,042 |
| Other Taxes | 8,500,932 | 8,840,904 | | | 8,500,932 | 8,840,904 |
| Other General Revenue | 94,005 | 112,060 | 271 | - | 94,276 | 112,060 |
| Total Revenues | 13,763,419 | 14,300,438 | 1,975,597 | 1,948,789 | 15,739,016 | 16,249,227 |
| EXPENSES | | | | | | |
| General Government | 4,556,809 | 5,297,337 | | | 4,556,809 | 5,297,337 |
| Public Safety | 5,559,667 | 6,629,971 | | | 5,559,667 | 6,629,971 |
| Public Works | 1,878,397 | 2,010,981 | | | 1,878,397 | 2,010,981 |
| Building Standards | 544,464 | 201,124 | | | 544,464 | 201,124 |
| Community | | | | | | |
| Development | 192,666 | 272,969 | | | 192,666 | 272,969 |
| Information Technology | 159,686 | 155,294 | | | 159,686 | 155,294 |
| Interest on Debt | 829,991 | 881,779 | | | 829,991 | 881,779 |
| Employee Benefits | 586,757 | 513,487 | | | 586,757 | 513,487 |
| Sewer | - | - | 2,588,274 | 2,413,611 | 2,588,274 | 2,413,611 |
| Total Expenses | 14,308,437 | 15,962,942 | 2,588,274 | 2,413,611 | 16,896,711 | 18,376,553 |
| Changes in Net Position | \$ (545,018) | (1,662,504) | \$ (612,677) | (464,822) | \$ (1,157,695) | (2,127,326) |

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

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

Governmental activities net position decreased in FY18 by \$1,662,504. This was due to the large year to year increase in expenses. Total governmental activity expenses increased by \$1,654,505 from prior year. FY17 had deferred capital spending to an unsustainable level. In FY18 some necessary capital spending was completed such as the complete refurbishment of an ambulance, fire truck repairs, and three new police squad cars. Additionally, the Village saw savings during FY17 from several position vacancies which were filled during FY18.

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

The total change in net position for the business-type activities is (\$464,822). Charges for services are not sufficient to cover operating expenses. The net operating loss for the fiscal year was (\$759,832). Charges for services decreased by \$26,212 while annual expenses decreased by \$174,663. There were no capital purchases made in FY18 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 \$6,014,686 while the total fund balance decreased to \$6,201,644. This was a decrease of \$955,611 from FY17.

The Revolving Loan Fund received \$4,361 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 \$1,107,280 and expenditures totaled \$1,097,957, leaving it with a year-end fund balance of \$995,207, an increase of \$9,323 from the prior year.

The non-major governmental funds saw an overall increase in fund balance of \$61,452. 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 FY18, 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 \$21,791, an increase of \$2,256 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 \$18,547.

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

- 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 \$12,286 to ending balance of \$47,227.
- 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 FY18, the Capital Projects Fund fund balance increased \$115,156, from \$174,975 to \$290,131.
- The Motor Fuel Tax Fund continued its annual road overlay program, spending \$531,319. The Motor Fuel Tax fund finished FY18 with a fund balance of \$453,817.
- 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. \$34,749 in revenue was recognized during the year, along with \$2,756 in expenditures, leaving the fund with a fund balance of \$46,371.

Proprietary Funds

The Sewer Fund ended the fiscal year with (\$554,185) in unrestricted net position, down from (\$91,965) at April 30, 2017 and from \$415,995 at April 30, 2016. The Sewer Fund's charges for services remained flat at \$1,492,177. Operating expenses decreased by \$163,653 as compared to the prior fiscal year, and the change in net position for the current year was a decrease of \$464,822. 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, 2018**

GENERAL FUND BUDGETARY HIGHLIGHTS

The following table reflects the condensed Budgetary Comparison Schedule:

| | Original Budget | Final Budget | Actual |
|-----------------------------------|----------------------------|-------------------------|---------------------|
| Revenues: | | | |
| Taxes | \$ 10,805,044 | \$ 10,805,044 | \$ 10,721,064 |
| Licenses and Permits | 274,801 | 274,801 | 254,029 |
| Intergovernmental | 122,694 | 122,694 | 1,891 |
| Charges for Services | 395,650 | 395,650 | 444,225 |
| Fines and Forfeits | 318,000 | 318,000 | 379,316 |
| Investment Income | 40,100 | 40,100 | 36,895 |
| Other | 340,300 | 423,324 | 450,037 |
| Total Revenues | 12,296,589 | 12,379,613 | 12,287,457 |
| Expenditures: | | | |
| General Government | 3,153,132 | 4,990,439 | 4,764,496 |
| Public Safety | 6,933,437 | 6,049,858 | 5,742,773 |
| Public Works | 2,055,903 | 1,772,010 | 1,492,611 |
| Building Standards | 724,483 | 555,366 | 511,034 |
| Economic Incentive/Development | 35,000 | 35,000 | 35,000 |
| Information Technology | 167,885 | 159,930 | 155,294 |
| Debt Service | - | - | 28,373 |
| Employee Benefits | 515,000 | 515,000 | 513,487 |
| Total Expenditures | 13,584,840 | 14,077,603 | 13,243,068 |
| Net Change in Fund Balance | \$ (1,288,251) | \$ (1,697,990) | \$ (955,611) |

The General Fund revenues were \$92,156 under budget in FY18. A large portion of this was comprised of a \$122,694 budget for grant revenue, of which the Village received \$1,891. The Fire Department applied for a grant to purchase several large capital items, but was not successful. State Income Tax revenue came in \$159,008 under budget. This was due to lower economic activity in the Village and the State's reduction of LGDF distributions during the year. The Village received \$254,029 of Licenses and Permits revenue during the fiscal year. This is a decrease of \$9,804 from FY17. Charges for Services came in over budget due to ambulance revenues coming in \$35,268 higher than budgeted. Fines and Forfeitures were \$61,316 over budget due to administrative tow fee 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.

The General Fund expenditures were \$834,535 under budget in FY18. A significant factor for this was deferred capital spending. Within General Government, building and property improvements came in \$225,943 under budget and within Public Works, building and property maintenance came in \$152,615 under budget. Additional budget savings were realized due to employee vacancies, such as the Village Administrator and Finance Director for a significant period during the year. Also, several large capital purchases within the Fire Department that were dependent on grant funding and 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 \$29,817 under budget. Several other areas such as fuel for vehicles, salt, office supplies and tree removal 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, 2018**

CAPITAL ASSET AND DEBT ADMINISTRATION

**Governmental Activities
Change in Capital Assets**

| | Balance May 1, 2017 | Net Additions/ Deletions | Balance April 30, 2018 |
|---|------------------------------------|---|---------------------------------------|
| Non-Depreciable Assets: | | | |
| Land | \$ 6,494,488 | \$ 155,000 | \$ 6,649,488 |
| Other Capital Assets: | | | |
| Building | 6,986,972 | 424,067 | 7,411,039 |
| Equipment | 7,938,376 | 160,285 | 8,098,661 |
| Infrastructure | 15,336,695 | - | 15,336,695 |
| Accumulated Depreciation on Capital Assets | (15,431,285) | (808,231) | (16,239,516) |
| Total | \$ 21,325,246 | \$ (68,879) | \$ 21,256,367 |

The Village of Bradley's investment in capital assets for its governmental activities as of April 30, 2018, was \$21,256,367 (net of accumulated depreciation). This investment in capital assets includes property and improvements, equipment, facilities and infrastructure. In FY18, the Village of Bradley's capital assets, net of accumulated depreciation, decreased by \$68,879. Due to budget constraints, capital spending was limited during FY18. There were \$922,384 in additions, \$183,032 in deletions and depreciation of \$991,263. Significant fixed asset additions included three new squad cars, a backup generator for Village Hall, and a new police shooting range.

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

| | Balance May 1, 2017 | Net Additions/ Deletions | Balance April 30, 2018 |
|---|------------------------------------|---|---------------------------------------|
| Other Capital Assets: | | | |
| Property, Plant and Equipment | \$ 12,969,835 | \$ | \$ 12,969,835 |
| Accumulated Depreciation on Capital Assets | (7,251,806) | (322,668) | (7,574,474) |
| Total | \$ 5,718,029 | \$ (322,668) | \$ 5,395,361 |

The Village of Bradley's investment in capital assets for its business-type activities as of April 30, 2018, was \$5,395,361 (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 FY18.

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

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 FY18. 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 \$22,757,383. 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, 2018**

| | Governmental Activities | Business-Type Activities | Totals |
|--|----------------------------|-----------------------------|---------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | \$ 8,217,000 | - | 8,217,000 |
| Receivables - Net of Allowances | 3,984,071 | 577,629 | 4,561,700 |
| Internal Balances | 601,361 | (601,361) | - |
| Prepays | 177,820 | - | 177,820 |
| Total Current Assets | <u>12,980,252</u> | <u>(23,732)</u> | <u>12,956,520</u> |
| Noncurrent Assets | | | |
| Capital Assets | | | |
| Nondepreciable | 6,649,488 | - | 6,649,488 |
| Depreciable | 30,846,395 | 12,969,835 | 43,816,230 |
| Accumulated Depreciation | <u>(16,239,516)</u> | <u>(7,574,474)</u> | <u>(23,813,990)</u> |
| Total Capital Assets | <u>21,256,367</u> | <u>5,395,361</u> | <u>26,651,728</u> |
| Other Noncurrent Assets | | | |
| Loans Receivable | 50,191 | - | 50,191 |
| Net Other Post-Employment Benefit Asset | 23,100 | - | 23,100 |
| Due from Joint Venture | - | 232,216 | 232,216 |
| Total Other Noncurrent Assets | <u>73,291</u> | <u>232,216</u> | <u>305,507</u> |
| Total Noncurrent Assets | <u>21,329,658</u> | <u>5,627,577</u> | <u>26,957,235</u> |
| Total Assets | <u>34,309,910</u> | <u>5,603,845</u> | <u>39,913,755</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred Items - IMRF | 548,598 | 87,212 | 635,810 |
| Deferred Items - Police Pension | 4,684,934 | - | 4,684,934 |
| Deferred Items - Firefighters' Pension | 347,412 | - | 347,412 |
| Total Deferred Outflows of Resources | <u>5,580,944</u> | <u>87,212</u> | <u>5,668,156</u> |
| Total Assets and Deferred Outflows of Resources | <u>39,890,854</u> | <u>5,691,057</u> | <u>45,581,911</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 | \$ 622,087 | 17,827 | 639,914 |
| Accrued Payroll | 91,524 | 6,261 | 97,785 |
| Deposits Payable | 4,720 | - | 4,720 |
| Other Payables | 55,200 | - | 55,200 |
| Accrued Interest Payable | 4,241,577 | 60,646 | 4,302,223 |
| Current Portion of Long-Term Liabilities | 660,739 | 273,251 | 933,990 |
| Total Current Liabilities | 5,675,847 | 357,985 | 6,033,832 |
| Noncurrent Liabilities | | | |
| Compensated Absences Payable | 1,152,323 | 73,003 | 1,225,326 |
| Net Pension Liability - IMRF | 529,458 | 84,169 | 613,627 |
| Net Pension Liability - Police Pension | 14,190,245 | - | 14,190,245 |
| Net Pension Liability - Firefighters' Pension | 724,546 | - | 724,546 |
| Tax Increment Revenue Bonds Payable - Net | 3,874,416 | - | 3,874,416 |
| Tax Increment Revenue Notes Payable | 10,196,173 | - | 10,196,173 |
| General Obligation Bonds Payable - Net | - | 3,937,390 | 3,937,390 |
| Total Noncurrent Liabilities | 30,667,161 | 4,094,562 | 34,761,723 |
| Total Liabilities | 36,343,008 | 4,452,547 | 40,795,555 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Property Taxes | 2,155,659 | 400,794 | 2,556,453 |
| Deferred Items - IMRF | 1,188,439 | 188,930 | 1,377,369 |
| Deferred Items - Police Pension | 1,047,237 | - | 1,047,237 |
| Deferred Items - Firefighters' Pension | 389,640 | - | 389,640 |
| Total Deferred Inflows of Resources | 4,780,975 | 589,724 | 5,370,699 |
| Total Liabilities and Deferred Inflows of Resources | 41,123,983 | 5,042,271 | 46,166,254 |
| NET POSITION | | | |
| Net Investment in Capital Assets | 6,813,120 | 1,202,971 | 8,016,091 |
| Restricted - Economic Development | 87,818 | - | 87,818 |
| Restricted - Street Maintenance | 444,663 | - | 444,663 |
| Restricted - Capital Projects | 290,131 | - | 290,131 |
| Restricted - Infrastructure/Development | 16,042 | - | 16,042 |
| Restricted - Public Safety | 68,024 | - | 68,024 |
| Unrestricted (Deficit) | (8,952,927) | (554,185) | (9,507,112) |
| Total Net Position | (1,233,129) | 648,786 | (584,343) |

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, 2018**

| Functions/Programs | Expenses | Program Revenues | | |
|--------------------------------------|-------------------|----------------------------|---------------------------------------|-------------------------------------|
| | | Charges for Services | Operating Grants/ Contributions | Capital Grants/ Contributions |
| Governmental Activities | | | | |
| General Government | \$ 5,297,337 | 430,960 | - | 155,000 |
| Public Safety | 6,629,971 | 885,936 | 1,891 | - |
| Public Works | 2,010,981 | 26,214 | 424,209 | - |
| Building Standards | 201,124 | 200,260 | - | - |
| Economic Development/Incentive | 272,969 | - | - | - |
| Information Technology | 155,294 | - | - | - |
| Employee Benefits | 513,487 | - | - | - |
| Interest on Long-Term Debt | 881,779 | - | - | - |
| Total Governmental Activities | 15,962,942 | 1,543,370 | 426,100 | 155,000 |
| Business-Type Activities | | | | |
| Sewer | 2,413,611 | 1,549,751 | - | - |
| Total Primary Government | 18,376,553 | 3,093,121 | 426,100 | 155,000 |

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 (Expenses)/Revenues | | |
|----------------------------|-----------------------------|--------------|
| Primary Government | | |
| Governmental Activities | Business-Type Activities | Totals |
| (4,711,377) | - | (4,711,377) |
| (5,742,144) | - | (5,742,144) |
| (1,560,558) | - | (1,560,558) |
| (864) | - | (864) |
| (272,969) | - | (272,969) |
| (155,294) | - | (155,294) |
| (513,487) | - | (513,487) |
| (881,779) | - | (881,779) |
| (13,838,472) | - | (13,838,472) |
| - | (863,860) | (863,860) |
| (13,838,472) | (863,860) | (14,702,332) |
| 3,223,004 | 399,038 | 3,622,042 |
| 7,051,473 | - | 7,051,473 |
| 1,446,387 | - | 1,446,387 |
| 343,044 | - | 343,044 |
| 55,501 | - | 55,501 |
| 56,559 | - | 56,559 |
| 12,175,968 | 399,038 | 12,575,006 |
| (1,662,504) | (464,822) | (2,127,326) |
| 429,375 | 1,113,608 | 1,542,983 |
| (1,233,129) | 648,786 | (584,343) |

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

VILLAGE OF BRADLEY, ILLINOIS

**Balance Sheet - Governmental Funds
April 30, 2018**

| | General | Special Revenue | | Nonmajor | Totals |
|---|------------------|-------------------|----------------------|------------------|-------------------|
| | | Revolving Loan | State Rte. 50 TIF | | |
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 3,858,810 | 1,953,941 | 1,267,860 | 1,136,389 | 8,217,000 |
| Receivables - Net of Allowances | | | | | |
| Property Taxes | 2,155,659 | - | - | - | 2,155,659 |
| Other Taxes | 2,216,405 | - | - | 60,028 | 2,276,433 |
| Loans | - | 50,191 | - | - | 50,191 |
| Accounts | 51,894 | - | - | - | 51,894 |
| Due from Other Funds | 984,075 | - | - | 70 | 984,145 |
| Prepays | 168,666 | - | - | 9,154 | 177,820 |
| Total Assets | 9,435,509 | 2,004,132 | 1,267,860 | 1,205,641 | 13,913,142 |
| LIABILITIES | | | | | |
| Accounts Payable | 404,498 | - | 182,419 | 35,170 | 622,087 |
| Accrued Payroll | 91,524 | - | - | - | 91,524 |
| Deposits Payable | 4,720 | - | - | - | 4,720 |
| Other Payables | 55,200 | - | - | - | 55,200 |
| Due to Other Funds | 522,264 | - | 90,234 | 270,201 | 882,699 |
| Total Liabilities | 1,078,206 | - | 272,653 | 305,371 | 1,656,230 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Property Taxes | 2,155,659 | - | - | - | 2,155,659 |
| Total Liabilities and Deferred Inflows of Resources | 3,233,865 | - | 272,653 | 305,371 | 3,811,889 |
| FUND BALANCES | | | | | |
| Nonspendable | 168,666 | - | - | 9,154 | 177,820 |
| Restricted | 18,292 | - | - | 891,116 | 909,408 |
| Committed | - | 2,004,132 | 995,207 | - | 2,999,339 |
| Unassigned | 6,014,686 | - | - | - | 6,014,686 |
| Total Fund Balances | 6,201,644 | 2,004,132 | 995,207 | 900,270 | 10,101,253 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | 9,435,509 | 2,004,132 | 1,267,860 | 1,205,641 | 13,913,142 |

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, 2018

Total Governmental Fund Balances \$ 10,101,253

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. 21,256,367

A net other post-employment benefit asset is not considered to represent a
financial resource and therefore is not reported in the funds. 23,100

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

| | |
|--|-----------|
| Deferred Items - IMRF | (639,841) |
| Deferred Items - Police Pension | 3,637,697 |
| Deferred Items - Firefighters' Pension | (42,228) |

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 | (1,440,404) |
| Net Pension Liability - IMRF | (529,458) |
| Net Pension Liability - Police Pension | (14,190,245) |
| Net Pension Liability - Firefighters' Pension | (724,546) |
| Tax Increment Revenue Bonds Payable - Net | (4,219,416) |
| Tax Increment Revenue Notes Payable | (10,196,173) |
| Capital Leases Payable | (27,658) |
| Accrued Interest Payable | <u>(4,241,577)</u> |

Net Position of Governmental Activities (1,233,129)

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, 2018**

| | General | Special Revenue | | Nonmajor | Totals |
|--|-------------------|-------------------|----------------------|----------------|-------------------|
| | | Revolving Loan | State Rte. 50 TIF | | |
| Revenues | | | | | |
| Taxes | \$ 10,721,064 | - | 1,099,716 | 243,128 | 12,063,908 |
| Intergovernmental | 1,891 | - | - | 424,209 | 426,100 |
| Licenses and Permits | 254,029 | - | - | - | 254,029 |
| Charges for Services | 444,225 | - | - | - | 444,225 |
| Fines and Forfeitures | 379,316 | - | - | 15,763 | 395,079 |
| Interest | 36,895 | 4,361 | 7,564 | 6,681 | 55,501 |
| Miscellaneous | 450,037 | - | - | 56,559 | 506,596 |
| Total Revenues | 12,287,457 | 4,361 | 1,107,280 | 746,340 | 14,145,438 |
| Expenditures | | | | | |
| Current | | | | | |
| General Government | 4,764,496 | - | - | - | 4,764,496 |
| Public Safety | 5,742,773 | - | - | 15,942 | 5,758,715 |
| Public Works | 1,492,611 | - | - | 534,075 | 2,026,686 |
| Building Standards | 511,034 | - | - | - | 511,034 |
| Economic Development/Incentive | 35,000 | - | 237,969 | - | 272,969 |
| Information Technology | 155,294 | - | - | - | 155,294 |
| Employee Benefits | 513,487 | - | - | - | 513,487 |
| Capital Outlay | - | - | - | 134,871 | 134,871 |
| Debt Service | | | | | |
| Principal Retirement | 26,961 | - | 320,000 | - | 346,961 |
| Interest and Fiscal Charges | 1,412 | - | 539,988 | - | 541,400 |
| Total Expenditures | 13,243,068 | - | 1,097,957 | 684,888 | 15,025,913 |
| Net Change in Fund Balances | (955,611) | 4,361 | 9,323 | 61,452 | (880,475) |
| Fund Balances - Beginning as Restated | 7,157,255 | 1,999,771 | 985,884 | 838,818 | 10,981,728 |
| Fund Balances - Ending | 6,201,644 | 2,004,132 | 995,207 | 900,270 | 10,101,253 |

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, 2018

Net Change in Fund Balances - Total Governmental Funds \$ (880,475)

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 | 767,384 |
| Capital Outlays - Capital Contributions | 155,000 |
| Depreciation Expense | (991,263) |
| Disposals - Cost | (183,032) |
| Disposals - Accumulated Depreciation | 183,032 |

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

| | |
|--|-------------|
| Change in Deferred Items - IMRF | (1,299,193) |
| Change in Deferred Items - Police Pension | 3,581,151 |
| Change in Deferred Items - Firefighters' Pension | (272,301) |

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.

| | |
|---|-------------|
| Additions to Compensation Absences Payable | (124,267) |
| Deductions to Net Pension Liability - IMRF | 1,278,758 |
| Additions to Net Pension Liability - Police Pension | (4,368,245) |
| Deductions to Net Pension Liability - Firefighters' Pension | 178,620 |
| Deductions to Net Other Post-Employment Benefit Asset | 305,745 |
| Retirement of Long-Term Debt | 351,341 |

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.

(344,759)

Changes in Net Position of Governmental Activities

(1,662,504)

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, 2018**

| | <u>Business-Type Activities</u> <u>Sewer</u> |
|---|---|
| ASSETS | |
| Current Assets | |
| Cash and Cash Equivalents | \$ - |
| Receivables - Net of Allowances | |
| Accounts | 176,835 |
| Property Taxes | <u>400,794</u> |
| Total Current Assets | <u>577,629</u> |
| Noncurrent Assets | |
| Capital Assets | |
| Depreciable | 12,969,835 |
| Accumulated Depreciation | <u>(7,574,474)</u> |
| Total Capital Assets | 5,395,361 |
| Other Noncurrent Assets | |
| Due from Joint Venture | <u>232,216</u> |
| Total Noncurrent Assets | <u>5,627,577</u> |
| Total Assets | 6,205,206 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred Items - IMRF | <u>87,212</u> |
| Total Assets and Deferred Outflows of Resources | <u>6,292,418</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 | \$ 17,827 |
| Accrued Payroll | 6,261 |
| Accrued Interest Payable | 60,646 |
| Due to Other Funds | 601,361 |
| Current Portion of Long-Term Liabilities | 273,251 |
| Total Current Liabilities | <u>959,346</u> |
| Noncurrent Liabilities | |
| Compensated Absences Payable | 73,003 |
| Net Pension Liability - IMRF | 84,169 |
| General Obligation Bonds Payable - Net | 3,937,390 |
| Total Noncurrent Liabilities | <u>4,094,562</u> |
| Total Liabilities | <u>5,053,908</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Property Taxes | 400,794 |
| Deferred Items - IMRF | 188,930 |
| Total Deferred Inflows of Resources | <u>589,724</u> |
| Total Liabilities and Deferred Inflows of Resources | <u>5,643,632</u> |
| NET POSITION | |
| Net Investment in Capital Assets | 1,202,971 |
| Unrestricted (Deficit) | <u>(554,185)</u> |
| Total Net Position | <u><u>648,786</u></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, 2018

| | Business-Type Activities <u>Sewer</u> |
|----------------------------------|---|
| Operating Revenues | |
| Charges for Services | \$ 1,492,177 |
| Other Revenue | 12,774 |
| Total Operating Revenues | <u>1,504,951</u> |
| Operating Expenses | |
| Operations | |
| Operations and Management | 1,956,145 |
| Depreciation | 322,668 |
| Amortization | (14,030) |
| Total Operating Expenses | <u>2,264,783</u> |
| Operating Income (Loss) | <u>(759,832)</u> |
| Nonoperating Revenues (Expenses) | |
| Property Taxes | 399,038 |
| Tap-On Fees | 44,800 |
| Interest and Fiscal Charges | (148,828) |
| | <u>295,010</u> |
| Change in Net Position | (464,822) |
| Net Position - Beginning | <u>1,113,608</u> |
| Net Position - Ending | <u><u>648,786</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, 2018

| | Business-Type Activities |
|---|-----------------------------|
| | <u>Water and Sewer</u> |
| Cash Flows from Operating Activities | |
| Receipts from Customers and Users | \$ 1,934,555 |
| Payments to Employees | (379,895) |
| Payments to Suppliers | (1,099,796) |
| | <u>454,864</u> |
| Cash Flows from Capital and Related Financing Activities | |
| Principal Retirement | (306,036) |
| Interest Expense | (148,828) |
| | <u>(454,864)</u> |
| Net Change in Cash and Cash Equivalents | - |
| Cash and Cash Equivalents - Beginning | <u>-</u> |
| Cash and Cash Equivalents - Ending | <u><u>-</u></u> |
| Reconciliation of Operating Income to Net Cash Provided | |
| (Used) by Operating Activities Operating Income | (759,832) |
| Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities: | |
| Other Income | 443,838 |
| Other Expense | 6,940 |
| Depreciation and Amortization | 308,638 |
| (Increase) Decrease in Current Assets | (14,234) |
| Increase (Decrease) in Current Liabilities | 469,514 |
| | <u>454,864</u> |
| Net Cash Provided by Operating Activities | <u><u>454,864</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, 2018

| | <u>Pension and Other Post-Employment Benefits Trust</u> |
|---|---|
| ASSETS | |
| Cash and Cash Equivalents | \$ 3,299,280 |
| Investments | |
| U.S. Treasury Obligations | 1,264,032 |
| U.S. Agency Obligations | 4,225,376 |
| Corporate Bonds | 1,371,654 |
| Municipal Bonds | 872,057 |
| Mutual Funds | 9,659,972 |
| Receivables - Net of Allowance | |
| Accrued Interest | 47,347 |
| Due from Other Funds | 522,194 |
| Prepays | <u>2,386</u> |
| Total Assets | <u>21,264,298</u> |
| LIABILITIES | |
| Accounts Payable | 32,391 |
| Due from Other Funds | <u>22,279</u> |
| Total Liabilities | <u>54,670</u> |
| NET POSITION | |
| Net Position Restricted for Pensions and Other Post-Employment Benefits | <u><u>21,209,628</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, 2018**

| | Pension and Other Post-Employment Benefits Trust |
|---|---|
| Additions | |
| Contributions - Employer | \$ 1,733,433 |
| Contributions - Plan Members | 302,229 |
| Total Contributions | <u>2,035,662</u> |
| Investment Income | |
| Interest Earned | 72,319 |
| Net Change in Fair Value | 1,134,245 |
| | <u>1,206,564</u> |
| Less Investment Expenses | (47,373) |
| Net Investment Income | <u>1,159,191</u> |
| Total Additions | <u>3,194,853</u> |
| Deductions | |
| Administration | 42,655 |
| Benefits and Refunds | 1,495,767 |
| Total Deductions | <u>1,538,422</u> |
| Change in Fiduciary Net Position | 1,656,431 |
| Net Position Restricted for Pensions and Other Post-Employment Benefits | |
| Beginning | <u>19,553,197</u> |
| Ending | <u><u>21,209,628</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, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

REPORTING ENTITY

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

Police Pension Employees Retirement System

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

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, 2018

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, 2018

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, 2018

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 six 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, 2018

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

Measurement Focus

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

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

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2018

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, pension trust and other post-employment benefit trust fund equity is classified as net position.

Basis of Accounting

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

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, 2018

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

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. Prepaids are valued at cost, which approximates market. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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

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

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

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

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

Deferred Outflows/Inflows of Resources

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

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2018

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, 2018**

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 |
|----------------|----------|
| Motor Fuel Tax | \$ 3,586 |

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, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

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, 2018

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 \$5,131,765 and the bank balances totaled \$7,665,163.

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 | \$ 241,167 | 241,167 | - | - | - |
| U.S. Agency Obligations | 495,470 | 3,397 | 162,424 | 209,516 | 120,133 |
| Illinois Funds | 2,348,598 | 2,348,598 | - | - | - |
| | <u>3,085,235</u> | <u>2,593,162</u> | <u>162,424</u> | <u>209,516</u> | <u>120,133</u> |

The Village has the following recurring fair value measurements as of April 30, 2018:

| 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 | \$ 241,167 | 241,167 | - | - |
| U.S. Agency Obligations | 495,470 | - | 495,470 | - |
| Total Investments by Fair Value Level | 736,637 | <u>241,167</u> | <u>495,470</u> | <u>-</u> |
| Investments Measured at the Net Asset Value (NAV) | | | | |
| Illinois Funds | <u>2,348,598</u> | | | |
| Total Investments Measured at Fair Value | <u>3,085,235</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, 2018

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 \$121,842 of the bank balance of deposits was not 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. Treasuries are rated Aaa by Standard & Poor's, U.S. Agencies are rated AA- by Standard & Poor's or not rated, and the Village's investment in the Illinois Funds was rated AAAM by Standard & Poor's.

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

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

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$614,553 and the bank balances totaled \$615,439.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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 | \$ 975,771 | 199,422 | 97,672 | 678,677 | - |
| U.S. Agency Obligations | 4,165,062 | 278,418 | 945,922 | 2,364,231 | 576,491 |
| Corporate Bonds | 1,169,820 | - | 980,521 | 189,299 | - |
| Municipal Bonds | 713,059 | - | 200,116 | 258,542 | 254,401 |
| | <u>7,023,712</u> | <u>477,840</u> | <u>2,224,231</u> | <u>3,490,749</u> | <u>830,892</u> |

The Fund has the following recurring fair value measurements as of April 30, 2018:

| Investments by Fair Value Level | Totals | Fair Value Measurements Using | | |
|---------------------------------------|-------------------|--|---|---|
| | | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Debt Securities | | | | |
| U.S. Treasury Obligations | \$ 975,771 | 975,771 | - | - |
| U.S. Agency Obligations | 4,165,062 | - | 4,165,062 | - |
| Corporate Bonds | 1,169,820 | - | 1,169,820 | - |
| Municipal Bonds | 713,059 | - | 713,059 | - |
| Equity Securities | | | | |
| Mutual Funds | 9,586,989 | 9,586,989 | - | - |
| Total Investments by Fair Value Level | <u>16,610,701</u> | <u>10,562,760</u> | <u>6,047,941</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, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Interest Rate Risk. In accordance with the Pension Fund’s investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

Credit Risk. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Fund’s investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The Fund’s investment policy also prescribes to the “prudent person” rule, which states, “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return.” The U.S. Agency Obligations are rated AA+ to AAA by Standard & Poor’s or not rated, the Corporate Bonds are rated BBB to AA+ by Standard & Poor’s, and the Municipal Bonds are rated AA to AAA by Standard & Poor’s.

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

Concentration Credit Risk. The Fund does not have a formal investment policy to address concentration credit risk. In addition to the securities and fair values listed above, the Fund also has \$9,586,989 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:

| Asset Class | Target | Long-Term Expected Real Rate of Return |
|-----------------------------|--------|--|
| Fixed Income | 45.00% | 1.50% |
| Large Cap Domestic Equities | 38.50% | 6.70% |
| Small Cap Domestic Equities | 11.00% | 8.60% |
| International Equity | 5.50% | 6.50% |
| Cash and Cash Equivalents | 0.00% | 0.00% |

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2018

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 March 2018 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, 2018 are listed in the table above.

Rate of Return

For the year ended April 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.15%. 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 \$313,121 and the bank balances totaled \$313,121.

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 | \$ 288,261 | 119,901 | 79,823 | 16,932 | 71,605 |
| U.S. Agency Obligations | 60,314 | 49,678 | - | - | 10,636 |
| Corporate Bonds | 201,834 | 157,735 | 34,772 | 4,598 | 4,729 |
| Municipal Bonds | 158,998 | 111,063 | 47,935 | - | - |
| | 709,407 | 438,377 | 162,530 | 21,530 | 86,970 |

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
April 30, 2018

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, 2018:

| | Totals | Fair Value Measurements Using | | |
|---------------------------------------|------------|--|---|---|
| | | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Investments by Fair Value Level | | | | |
| Debt Securities | | | | |
| U.S. Treasury Obligations | \$ 288,261 | 288,261 | - | - |
| U.S. Agency Obligations | 60,314 | - | 60,314 | - |
| Corporate Bonds | 201,834 | - | 201,834 | - |
| Municipal Bonds | 158,998 | - | 158,998 | - |
| Equity Securities | | | | |
| Mutual Funds | 72,983 | 72,983 | - | - |
| Total Investments by Fair Value Level | 782,390 | 361,244 | 421,146 | - |

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

Interest Rate Risk. In accordance with the Pension Fund’s investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

Credit Risk. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Fund’s investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The Fund’s investment policy also prescribes to the “prudent person” rule, which states, “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return.” The U.S. Agency Obligations are rated AA+ by Standard & Poor’s or not rated, the Corporate Bonds are rated BBB- to AAA by Standard & Poor’s, and the Municipal Bonds are rated BBB+ to AA- by Standard & Poor’s.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2018

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 versus 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 \$72,983 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:

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

Securities in any one company should not exceed 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 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, 2018 are listed in the table above.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.08%. 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 \$133,691 at April 30, 2018. The balance of the allowance for doubtful accounts is \$83,500. The non-current portion of this balance is \$24,343.

PROPERTY TAXES

Property taxes for 2017 attach as an enforceable lien on January 1, 2017, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1, 2018, and September 1, 2018. The County collects such taxes and remits them periodically. As the 2017 levy is intended to finance fiscal year 2018-19 operations and debt service, the revenue has been recognized as a deferred inflow of resources at April 30, 2018. Property tax revenue reported in fiscal year 2017-18 is comprised primarily of collections of the 2016 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 | \$ 90,234 |
| General | Nonmajor Governmental | 270,201 |
| General | Sewer | 601,361 |
| General | Police Pension | 16,731 |
| General | Firefighters' Pension | 5,548 |
| Nonmajor Governmental | General | 70 |
| Police Pension | General | 522,194 |
| | | <u>1,506,339</u> |

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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 | 155,000 | - | 6,649,488 |
| Depreciable Capital Assets | | | | |
| Building and Improvements | 6,986,972 | 424,067 | - | 7,411,039 |
| Equipment | 7,938,376 | 343,317 | 183,032 | 8,098,661 |
| Infrastructure | 15,336,695 | - | - | 15,336,695 |
| | <u>30,262,043</u> | <u>767,384</u> | <u>183,032</u> | <u>30,846,395</u> |
| Less Accumulated Depreciation | | | | |
| Building and Improvements | 3,512,827 | 242,852 | - | 3,755,679 |
| Equipment | 6,488,041 | 270,309 | 183,032 | 6,575,318 |
| Infrastructure | 5,430,417 | 478,102 | - | 5,908,519 |
| | <u>15,431,285</u> | <u>991,263</u> | <u>183,032</u> | <u>16,239,516</u> |
| Total Net Depreciable Capital Assets | <u>14,830,758</u> | <u>(223,879)</u> | <u>-</u> | <u>14,606,879</u> |
| Total Net Capital Assets | <u><u>21,325,246</u></u> | <u><u>(68,879)</u></u> | <u><u>-</u></u> | <u><u>21,256,367</u></u> |

Depreciation expense was charged to governmental activities as follows:

| | |
|--------------------|-----------------------|
| General Government | \$ 693,884 |
| Public Safety | 227,991 |
| Public Works | <u>69,388</u> |
| | <u><u>991,263</u></u> |

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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 | 7,251,806 | 322,668 | - | 7,574,474 |
| Total Net Capital Assets | <u>5,718,029</u> | <u>(322,668)</u> | - | <u>5,395,361</u> |

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

| | |
|-------|-------------------|
| Sewer | <u>\$ 322,668</u> |
|-------|-------------------|

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 | \$ 4,260,000 | - | 250,000 | <u>4,010,000</u> |

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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 | \$ 4,500,000 | - | 320,000 | 4,180,000 |

Tax Increment Revenue Notes Payable

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

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

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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, 2018, the accumulated depreciation balance related to this asset is \$71,937. Total principal due in fiscal year 2019 is \$27,658.

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, 2018, the accumulated depreciation balance related to this asset is \$139,455. This lease was paid in full as of April 30, 2018.

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 - 2017 | <u>\$ 263,853,719</u> |
| Legal Debt Limit - 8.625% of Assessed Value | 22,757,383 |
| Amount of Debt Applicable to Limit | <u>-</u> |
| Legal Debt Margin | <u>22,757,383</u> |

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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 as Restated | Additions | Deductions | Ending Balances | Amounts Due within One Year |
|---|--------------------------------------|------------------|------------------|--------------------|-----------------------------------|
| Governmental Activities | | | | | |
| Compensated Absences | \$ 1,316,137 | 248,534 | 124,267 | 1,440,404 | 288,081 |
| Net Pension Liability - IMRF | 1,808,216 | - | 1,278,758 | 529,458 | - |
| Net Pension Liability - Police | 9,822,000 | 4,368,245 | - | 14,190,245 | - |
| Net Pension Liability - Fire | 903,166 | - | 178,620 | 724,546 | - |
| Net Other Post-Employment Benefit Obligation/(Asset) | 282,645 | - | 305,745 | (23,100) | - |
| Tax Increment Revenue | | | | | |
| Bonds Payable | 4,500,000 | - | 320,000 | 4,180,000 | 345,000 |
| Plus: Unamortized Premium | 43,796 | - | 4,380 | 39,416 | - |
| Tax Increment Revenue Note | 10,196,173 | - | - | 10,196,173 | - |
| Capital Leases Payable | 54,619 | - | 26,961 | 27,658 | 27,658 |
| | <u>28,926,752</u> | <u>4,616,779</u> | <u>2,238,731</u> | <u>31,304,800</u> | <u>660,739</u> |
| Business-Type Activities | | | | | |
| Compensated Absences | 76,820 | 28,868 | 14,434 | 91,254 | 18,251 |
| Net Pension Liability - IMRF | 281,647 | - | 197,478 | 84,169 | - |
| General Obligation | | | | | |
| Bonds Payable | 4,260,000 | - | 250,000 | 4,010,000 | 255,000 |
| Plus: Unamortized Premium | 196,420 | - | 14,030 | 182,390 | - |
| Capital Lease Payable | 56,036 | - | 56,036 | - | - |
| | <u>4,870,923</u> | <u>28,868</u> | <u>531,978</u> | <u>4,367,813</u> | <u>273,251</u> |

For governmental activities the compensated absences, the net pension liabilities and the net other post-employment benefit obligation/(asset) are 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.

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

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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 | |
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 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 |
| Totals | <u>4,180,000</u> | <u>1,390,800</u> | <u>27,658</u> | <u>715</u> | <u>4,010,000</u> | <u>1,150,450</u> |

NET POSITION RESTATEMENT

Beginning net position was restated due to an error in recognition of liabilities for TIF revenue note payable. The following is a summary of the net position as originally reported and as restated:

| Net Position | As Reported | As Restated | (Decrease) |
|-------------------------|--------------|-------------|-------------|
| Governmental Activities | \$ 1,642,583 | 429,375 | (1,213,208) |

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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 | \$ 168,666 | - | - | 9,154 | 177,820 |
| Restricted | | | | | |
| Economic Development | - | - | - | 87,818 | 87,818 |
| Street Maintenance | - | - | - | 444,663 | 444,663 |
| Debt Service | - | - | - | 2,730 | 2,730 |
| Capital Projects | - | - | - | 290,131 | 290,131 |
| Infrastructure/Development | 16,042 | - | - | - | 16,042 |
| Public Safety - Police | 2,250 | - | - | 65,774 | 68,024 |
| | 18,292 | - | - | 891,116 | 909,408 |
| Committed | | | | | |
| Economic Development | - | 2,004,132 | 995,207 | - | 2,999,339 |
| Unassigned | 6,014,686 | - | - | - | 6,014,686 |
| Total Fund Balances | 6,201,644 | 2,004,132 | 995,207 | 900,270 | 10,101,253 |

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, 2018

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, 2018:

| | |
|--|------------------|
| Governmental Activities | |
| Capital Assets - Net of Accumulated Depreciation | \$ 21,256,367 |
| Less: | |
| Tax Increment Revenue Bonds Payable | (4,180,000) |
| Unamortized Premium | (39,416) |
| Tax Increment Revenue Note | (10,196,173) |
| Capital Leases Payable | <u>(27,658)</u> |
| Net Investment in Capital Assets | <u>6,813,120</u> |
| Business-Type Activities | |
| Capital Assets - Net of Accumulated Depreciation | 5,395,361 |
| Less: | |
| General Obligation Bonds Payable | (4,010,000) |
| Unamortized Premium | <u>(182,390)</u> |
| Net Investment in Capital Assets | <u>1,202,971</u> |

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2018

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

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

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.

COMMITMENTS

Sales Tax Rebate Agreement

The Village of Bradley has entered into a sales tax rebate agreement with a local company. Under this agreement, the Village rebates \$35,000 of sales tax revenue generated by the facility on an annual basis. Total expenditures incurred to date on this agreement as of April 30, 2018 was \$35,000.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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, 2018:

| | | | |
|--|-------------------|------------------------------------|-------------------|
| Current Assets | \$ 3,133,003 | Current Liabilities | 3,991,360 |
| Restricted Assets | 2,250,471 | Long-Term Liabilities | <u>68,460,878</u> |
| Capital Assets | 76,891,923 | Total Liabilities | <u>72,452,238</u> |
| Deferred Bond Refunding | <u>497,115</u> | Net Position | <u>10,320,274</u> |
| Total Assets/Deferred Outflows of Resources | <u>82,772,512</u> | Total Liabilities and Net Position | <u>82,772,512</u> |

Summary of Revenues, Expenses and Changes in Net Position for the year ended April 30, 2018:

| | |
|------------------------------------|--------------------|
| Operating Revenues | \$ 11,732,822 |
| Operating Expenses | <u>9,002,943</u> |
| Operating Income | 2,729,879 |
| Nonoperating Revenues and Expenses | <u>(1,497,479)</u> |
| Change in Net Position | 1,232,400 |
| Net Position - Beginning | <u>9,087,874</u> |
| Net Position - Ending | <u>10,320,274</u> |

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2018

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.

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, 2018

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, 2018**

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, 2017, the measurement date, the following employees were covered by the benefit terms:

| | |
|--|-------------------|
| Inactive Plan Members Currently Receiving Benefits | 43 |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | 16 |
| Active Plan Members | <u>41</u> |
| Total | <u><u>100</u></u> |

Contributions. As set by statute, the Village’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2018, the Village’s contribution was 11.82% of covered payroll.

Net Pension Liability. The Village’s net pension liability was measured as of December 31, 2017. 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, 2017, 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 | 3.39% - 14.25% |
| Cost of Living Adjustments | 2.50% |
| Inflation | 2.50% |

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements

April 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

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

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

| Asset Class | Target | Long-Term Expected Real Rate of Return |
|---------------------------|--------|--|
| Fixed Income | 28.00% | 3.00% |
| Domestic Equities | 37.00% | 6.85% |
| International Equities | 18.00% | 6.75% |
| Real Estate | 9.00% | 5.75% |
| Blended | 7.00% | 2.65% - 7.35% |
| Cash and Cash Equivalents | 1.00% | 2.25% |

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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

Discount Rate Sensitivity

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

| | 1% Decrease (6.50%) | Current Discount Rate (7.50%) | 1% Increase (8.50%) |
|-------------------------------|------------------------|-------------------------------------|------------------------|
| Net Pension Liability/(Asset) | \$ 2,458,960 | 613,627 | (907,189) |

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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, 2016 | \$ 14,037,553 | 11,947,690 | 2,089,863 |
| Changes for the Year: | | | |
| Service Cost | 299,035 | - | 299,035 |
| Interest on the Total Pension Liability | 1,037,717 | - | 1,037,717 |
| Difference Between Expected and Actual Experience of the Total Pension Liability | 60,574 | - | 60,574 |
| Changes of Assumptions | (465,122) | - | (465,122) |
| Contributions - Employer | - | 320,462 | (320,462) |
| Contributions - Employees | - | 112,733 | (112,733) |
| Net Investment Income | - | 2,118,625 | (2,118,625) |
| Benefit Payments, including Refunds of Employee Contributions | (701,689) | (701,689) | - |
| Other (Net Transfer) | - | (143,380) | 143,380 |
| Net Changes | 230,515 | 1,706,751 | (1,476,236) |
| Balances at December 31, 2017 | 14,268,068 | 13,654,441 | 613,627 |

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

For the year ended April 30, 2018, the Village recognized pension expense of \$329,794. At April 30, 2018, 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, 2018**

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 | \$ 161,247 | (1,792) | 159,455 |
| Change in Assumptions | 5,258 | (385,182) | (379,924) |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | <u>356,730</u> | <u>(990,395)</u> | <u>(633,665)</u> |
| Total Pension Expense to be Recognized in Future Periods | 523,235 | (1,377,369) | (854,134) |
| Pension Contributions Subsequent to Year-End | <u>112,575</u> | - | <u>112,575</u> |
| Total Deferred Amounts Related to IMRF | <u><u>635,810</u></u> | <u><u>(1,377,369)</u></u> | <u><u>(741,559)</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 (Inflows) of Resources |
|----------------|---|
| 2019 | \$ (130,674) |
| 2020 | (132,198) |
| 2021 | (315,292) |
| 2022 | (275,970) |
| 2023 | - |
| Thereafter | <u>-</u> |
| Total | <u><u>(854,134)</u></u> |

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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, 2018, 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, 2018

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the 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, 2018, the Village's contribution was 41.38% 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, 2018**

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, 2018, using the following actuarial methods and assumptions:

| | |
|----------------------------|------------------|
| Actuarial Cost Method | Entry Age Normal |
| Asset Valuation Method | Market |
| Actuarial Assumptions | |
| Interest Rate | 6.75% |
| Salary Increases | 3.64% to 19.33% |
| Cost of Living Adjustments | 2.50% |
| Inflation | 2.50% |

Mortality rates were based on the assumption study prepared by the independent actuary in 2016. The table combines observed experience of Illinois Police Officers with the RP-2014 mortality table for blue collar workers. Mortality rates are improved generationally using MP-2016 improvement rates.

Discount Rate

A Single Discount Rate of 6.17% was used to measure the total pension liability, and the prior valuation used 6.75%. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 6.75%, the municipal bond rate is 3.97%, and the resulting single discount rate is 6.17%.

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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 (5.17%) | Current Discount Rate (6.17%) | 1% Increase (7.17%) |
|-----------------------|------------------------|-------------------------------------|------------------------|
| Net Pension Liability | \$ 19,617,709 | 14,190,245 | 9,869,461 |

Changes in the Net Pension Liability

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension Liability (A) - (B) |
|---|--------------------------------------|---------------------------------------|---------------------------------------|
| Balances at April 30, 2017 | \$ 26,152,430 | 16,330,430 | 9,822,000 |
| Changes for the Year: | | | |
| Service Cost | 752,928 | - | 752,928 |
| Interest on the Total Pension Liability | 1,730,420 | - | 1,730,420 |
| Difference Between Expected and Actual Experience of the Total Pension Liability | 1,728,582 | - | 1,728,582 |
| Changes of Assumptions | 2,621,662 | - | 2,621,662 |
| Contributions - Employer | - | 1,097,352 | (1,097,352) |
| Contributions - Employees | - | 257,108 | (257,108) |
| Net Investment Income | - | 1,151,402 | (1,151,402) |
| Benefit Payments, including Refunds of Employee Contributions | (1,033,166) | (1,033,166) | - |
| Administrative Expenses | - | (40,515) | 40,515 |
| Net Changes | 5,800,426 | 1,432,181 | 4,368,245 |
| Balances at April 30, 2018 | 31,952,856 | 17,762,611 | 14,190,245 |

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2018

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, 2018, the Village recognized pension expense of \$1,840,809. At April 30, 2018, 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 | \$ 2,018,681 | (701,467) | 1,317,214 |
| Change in Assumptions | 2,245,526 | - | 2,245,526 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 420,727 | (345,770) | 74,957 |
| Total Deferred Amounts Related to Police Pension | <u>4,684,934</u> | <u>(1,047,237)</u> | <u>3,637,697</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 |
|----------------|--|
| 2019 | \$ 719,809 |
| 2020 | 719,806 |
| 2021 | 509,446 |
| 2022 | 612,712 |
| 2023 | 621,704 |
| Thereafter | <u>454,220</u> |
| Total | <u>3,637,697</u> |

VILLAGE OF BRADLEY, ILLINOIS

**Notes to the Financial Statements
April 30, 2018**

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, 2018, the measurement date, membership consisted of the following:

| | |
|--|-----------------|
| Inactive Plan Members Currently Receiving Benefits | - |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | 2 |
| Active Plan Members | <u>7</u> |
| Total | <u><u>9</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, 2018

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

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2018, the Village's contribution was 27.62% 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, 2018**

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, 2018, 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 | 3.50% to 12.50% |
| 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-2016.

Discount Rate

The discount rate used to measure the total pension liability was 5.00%, the same as in 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, 2018**

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 | \$ 1,126,105 | 724,546 | 410,867 |

Changes in the Net Pension Liability

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension Liability (A) - (B) |
|---|--------------------------------------|---------------------------------------|---------------------------------------|
| Balances at April 30, 2017 | \$ 1,805,414 | 902,248 | 903,166 |
| Changes for the Year: | | | |
| Service Cost | 211,318 | - | 211,318 |
| Interest on the Total Pension Liability | 100,837 | - | 100,837 |
| Difference Between Expected and Actual Experience of the Total Pension Liability | (73,876) | - | (73,876) |
| Changes of Assumptions | (230,384) | - | (230,384) |
| Contributions - Employer | - | 136,081 | (136,081) |
| Contributions - Employees | - | 45,121 | (45,121) |
| Net Investment Income | - | 7,453 | (7,453) |
| Benefit Payments, including Refunds of Employee Contributions | - | - | - |
| Administrative Expenses | - | (2,140) | 2,140 |
| Net Changes | 7,895 | 186,515 | (178,620) |
| Balances at April 30, 2018 | 1,813,309 | 1,088,763 | 724,546 |

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2018

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, 2018, the Village recognized pension expense of \$229,762. At April 30, 2018, 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 | \$ - | (182,298) | (182,298) |
| Change in Assumptions | 276,673 | (207,342) | 69,331 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 70,739 | - | 70,739 |
| Total Deferred Amounts Related to Firefighters' Pension | <u>347,412</u> | <u>(389,640)</u> | <u>(42,228)</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 |
|----------------|--|
| 2019 | \$ 10,176 |
| 2020 | 10,172 |
| 2021 | 2,872 |
| 2022 | (4,603) |
| 2023 | (13,030) |
| Thereafter | <u>(47,815)</u> |
| Total | <u>(42,228)</u> |

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2018

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, 2018, retirees contributed \$137,598 to the plan. Active employees do not contribute to the postemployment health care plan until retirement.

At April 30, 2018, membership consisted of:

| | |
|---|-----------|
| Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them. | 38 |
| Active Employees | <u>25</u> |
| Total | <u>63</u> |
| Participating Employers | 1 |

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation/(asset) (NOPEBO/(A)) as of April 30, 2018 was calculated as follows:

| | |
|------------------------------|------------------------|
| Annual Required Contribution | \$ 636,469 |
| Interest on the NOPEBO | 11,307 |
| Adjustment to the ARC | <u>(9,422)</u> |
| Annual NOPEBO Cost | 638,354 |
| Actual Contribution | <u>944,099</u> |
| Change in the NOPEBO | (305,745) |
| NOPEBO - Beginning | <u>282,645</u> |
| NOPEBA - Ending | <u><u>(23,100)</u></u> |

Trend Information

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

| Fiscal Year | Annual OPEB Cost | Actual Contributions | Percentage of OPEB Cost Contributed | Net OPEB Obligation/ (Asset) |
|-------------|------------------|----------------------|-------------------------------------|------------------------------|
| 2016 | \$ 642,278 | \$ 958,326 | 149.21% | \$ 555,346 |
| 2017 | 640,171 | 912,872 | 142.60% | 282,645 |
| 2018 | 638,353 | 944,099 | 147.90% | (23,100) |

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, 2018

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 4.00% 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 3.00% 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, 2018 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, 2018**

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 | | | | | | |
| 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 |
| 2018 | N/A | N/A | N/A | N/A | N/A | N/A |

Employer Contributions

| Fiscal Year | Employer Contributions | Annual Required Contribution | Percent Contributed |
|-------------|------------------------|------------------------------|---------------------|
| 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% |
| 2018 | 944,099 | 636,469 | 148.33% |

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, 2018**

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Excess/ (Deficiency) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|-------------|-------------------------------------|--|-----------------------------------|-----------------|--|
| 2016 | \$ 299,251 | \$ 309,478 | \$ 10,227 | \$ 2,671,882 | 11.58% |
| 2017 | 329,486 | 329,486 | - | 2,742,566 | 12.01% |
| 2018 | 301,407 | 301,407 | - | 2,549,512 | 11.82% |

Notes to the Required Supplementary Information:

| | |
|-------------------------------|--|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level % Pay (Closed) |
| Remaining Amortization Period | 26 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, 2018

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Excess/ (Deficiency) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|-------------|-------------------------------------|--|-----------------------------------|-----------------|--|
| 2015 | \$ 835,134 | \$ 835,134 | \$ - | \$ 2,473,848 | 33.76% |
| 2016 | 856,951 | 856,951 | - | 2,397,067 | 35.75% |
| 2017 | 1,295,803 | 1,034,020 | (261,783) | 2,568,152 | 40.26% |
| 2018 | 1,378,462 | 1,097,352 | (281,110) | 2,651,613 | 41.38% |

Notes to the Required Supplementary Information:

| | |
|-------------------------------|---|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level % Pay (Closed) |
| Remaining Amortization Period | 23 Years |
| Asset Valuation Method | 5-Year Smoothed Market |
| Inflation | 2.50% |
| Salary Increases | 3.64% - 19.33% |
| Investment Rate of Return | 6.75% |
| Retirement Age | See the Notes to the Financial Statements |
| Mortality | 2016 Illinois Police Mortality Rates |

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, 2018**

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Excess/ (Deficiency) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|-------------|-------------------------------------|--|-----------------------------------|-----------------|--|
| 2015 | \$ 85,451 | \$ 85,451 | \$ - | \$ 432,920 | 19.74% |
| 2016 | 82,643 | 82,643 | - | 418,117 | 19.77% |
| 2017 | 126,915 | 127,168 | 253 | 463,523 | 27.44% |
| 2018 | 136,680 | 136,081 | (599) | 492,665 | 27.62% |

Notes to the Required Supplementary Information:

| | |
|-------------------------------|---|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level % Pay (Closed) |
| Remaining Amortization Period | 23 Years |
| Asset Valuation Method | 5-year Average Market Value (PA 096-1495) |
| Inflation | 2.50% |
| Salary Increases | 5.00% |
| Investment Rate of Return | 6.00% |
| Retirement Age | See the Notes to the Financial Statements |
| Mortality | RP 2014 projected to 2016 |

Note:

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

VILLAGE OF BRADLEY, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2018**

| | 12/31/2015 | 12/31/2016 | 12/31/2017 |
|---|--------------|------------|------------|
| Total Pension Liability | | | |
| Service Cost | \$ 289,708 | 304,282 | 299,035 |
| Interest | 932,167 | 976,549 | 1,037,717 |
| Differences Between Expected and Actual Experience | (5,662) | 213,056 | 60,574 |
| Change of Assumptions | 16,616 | (52,331) | (465,122) |
| Benefit Payments, Including Refunds of Member Contributions | (608,958) | (649,624) | (701,689) |
| Net Change in Total Pension Liability | 623,871 | 791,932 | 230,515 |
| Total Pension Liability - Beginning | 12,621,750 | 13,245,621 | 14,037,553 |
| Total Pension Liability - Ending | 13,245,621 | 14,037,553 | 14,268,068 |
| Plan Fiduciary Net Position | | | |
| Contributions - Employer | \$ 309,478 | 336,158 | 320,462 |
| Contributions - Members | 120,728 | 124,503 | 112,733 |
| Net Investment Income | 56,336 | 769,379 | 2,118,625 |
| Benefit Payments, Including Refunds of Member Contributions | (608,958) | (649,624) | (701,689) |
| Other (Net Transfer) | (37,497) | 170,628 | (143,380) |
| Net Change in Plan Fiduciary Net Position | (159,913) | 751,044 | 1,706,751 |
| Plan Net Position - Beginning | 11,356,559 | 11,196,646 | 11,947,690 |
| Plan Net Position - Ending | 11,196,646 | 11,947,690 | 13,654,441 |
| Employer's Net Pension Liability | \$ 2,048,975 | 2,089,863 | 613,627 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 84.53% | 85.11% | 95.70% |
| Covered Payroll | \$ 2,671,882 | 2,766,734 | 2,505,183 |
| Employer's Net Pension Liability as a Percentage of Covered Payroll | 76.69% | 75.54% | 24.49% |

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, 2018**

See Following Page

VILLAGE OF BRADLEY, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2018**

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

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

| 2016 | 2017 | 2018 |
|------------|------------|-------------|
| 677,653 | 705,319 | 752,928 |
| 1,556,396 | 1,697,657 | 1,730,420 |
| 767,576 | (859,321) | 1,728,582 |
| - | - | 2,621,662 |
| (881,315) | (973,185) | (1,033,166) |
| 2,120,310 | 570,470 | 5,800,426 |
| 23,461,650 | 25,581,960 | 26,152,430 |
| 25,581,960 | 26,152,430 | 31,952,856 |
| 856,951 | 1,034,020 | 1,097,352 |
| 256,757 | 336,843 | 257,108 |
| (144,168) | 1,459,719 | 1,151,402 |
| (881,315) | (973,185) | (1,033,166) |
| (35,061) | (20,642) | (40,515) |
| 53,164 | 1,836,755 | 1,432,181 |
| 14,440,511 | 14,493,675 | 16,330,430 |
| 14,493,675 | 16,330,430 | 17,762,611 |
| 11,088,285 | 9,822,000 | 14,190,245 |
| 56.66% | 62.44% | 55.59% |
| 2,397,067 | 2,568,152 | 2,651,613 |
| 462.58% | 382.45% | 535.16% |

VILLAGE OF BRADLEY, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2018**

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

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

| 2016 | 2017 | 2018 |
|-----------|-----------|-----------|
| 147,846 | 149,284 | 211,318 |
| 70,394 | 83,652 | 100,837 |
| - | - | - |
| (67,729) | (78,994) | (73,876) |
| 104,572 | 240,882 | (230,384) |
| (35,443) | - | - |
| 219,640 | 394,824 | 7,895 |
| 1,190,950 | 1,410,590 | 1,805,414 |
| 1,410,590 | 1,805,414 | 1,813,309 |
| 82,643 | 127,168 | 136,081 |
| 41,605 | 44,180 | 45,121 |
| 1,157 | 9,976 | 7,453 |
| (35,443) | - | - |
| (4,663) | (2,633) | (2,140) |
| 85,299 | 178,691 | 186,515 |
| 638,258 | 723,557 | 902,248 |
| 723,557 | 902,248 | 1,088,763 |
| 687,033 | 903,166 | 724,546 |
| 51.29% | 49.97% | 60.04% |
| 418,117 | 463,523 | 492,665 |
| 164.32% | 194.85% | 147.07% |

VILLAGE OF BRADLEY, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
April 30, 2018**

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

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, 2018**

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

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, 2018**

| | Budget | | Actual |
|-----------------------------------|--------------------|--------------------|-------------------|
| | Original | Final | |
| Revenues | | | |
| Taxes | \$ 10,805,044 | 10,805,044 | 10,721,064 |
| Intergovernmental | 122,694 | 122,694 | 1,891 |
| Licenses and Permits | 274,801 | 274,801 | 254,029 |
| Charges for Services | 395,650 | 395,650 | 444,225 |
| Fines and Forfeitures | 318,000 | 318,000 | 379,316 |
| Interest | 40,100 | 40,100 | 36,895 |
| Miscellaneous | 340,300 | 423,324 | 450,037 |
| Total Revenues | 12,296,589 | 12,379,613 | 12,287,457 |
| Expenditures | | | |
| Current | | | |
| General Government | 3,153,132 | 4,990,439 | 4,764,496 |
| Public Safety | 6,933,437 | 6,049,858 | 5,742,773 |
| Public Works | 2,055,903 | 1,772,010 | 1,492,611 |
| Building Standards | 724,483 | 555,366 | 511,034 |
| Economic Development/Incentive | 35,000 | 35,000 | 35,000 |
| Information Technology | 167,885 | 159,930 | 155,294 |
| Employee Benefits | 515,000 | 515,000 | 513,487 |
| Debt Service | | | |
| Principal Payment | - | - | 26,961 |
| Interest and Fiscal Charges | - | - | 1,412 |
| Total Expenditures | 13,584,840 | 14,077,603 | 13,243,068 |
| Net Change in Fund Balance | (1,288,251) | (1,697,990) | (955,611) |
| Fund Balance - Beginning | | | 7,157,255 |
| Fund Balance - Ending | | | 6,201,644 |

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, 2018**

| | Budget | | Actual |
|----------------------------|--------------|--------------|------------------|
| | Original | Final | |
| Revenues | | | |
| Interest | \$ 3,822 | 3,822 | 4,361 |
| Expenditures | | | |
| General Government | - | - | - |
| Net Change in Fund Balance | <u>3,822</u> | <u>3,822</u> | 4,361 |
| Fund Balance - Beginning | | | <u>1,999,771</u> |
| Fund Balance - Ending | | | <u>2,004,132</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, 2018**

| | Budget | | Actual |
|--------------------------------|------------------|------------------|-----------------------|
| | Original | Final | |
| Revenues | | | |
| Taxes | | | |
| Property | \$ 1,200,000 | 1,200,000 | 1,099,716 |
| Interest | 1,900 | 1,900 | 7,564 |
| Total Revenues | <u>1,201,900</u> | <u>1,201,900</u> | <u>1,107,280</u> |
| Expenditures | | | |
| Current | | | |
| Economic Incentive/Development | 1,020,000 | 1,020,000 | 237,969 |
| Debt Service | | | |
| Principal Retirement | 320,000 | 320,000 | 320,000 |
| Interest and Fiscal Charges | 699,500 | 699,500 | 539,988 |
| Total Expenditures | <u>2,039,500</u> | <u>2,039,500</u> | <u>1,097,957</u> |
| Net Change in Fund Balance | <u>(837,600)</u> | <u>(837,600)</u> | 9,323 |
| Fund Balance - Beginning | | | <u>985,884</u> |
| Fund Balance - Ending | | | <u><u>995,207</u></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

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

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

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

GO Bond Fund

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

CAPITAL PROJECTS FUND

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

ENTERPRISE FUND

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

Sewer

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

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 | \$ 2,098,894 | 2,098,894 | 2,123,288 |
| State Shared Taxes | | | |
| State Income Tax | 1,605,395 | 1,605,395 | 1,446,387 |
| State Sales Tax | 6,586,512 | 6,586,512 | 6,631,134 |
| Replacement Taxes | 111,000 | 111,000 | 99,827 |
| State Use Tax | 402,143 | 402,143 | 420,339 |
| Auto Rental Tax | 1,100 | 1,100 | 89 |
| | <u>8,706,150</u> | <u>8,706,150</u> | <u>8,597,776</u> |
| Total Taxes | <u>10,805,044</u> | <u>10,805,044</u> | <u>10,721,064</u> |
| Intergovernmental | | | |
| Police Grants | 4,500 | 4,500 | 1,891 |
| Fire Grants | 113,694 | 113,694 | - |
| Public Works Grants | 4,500 | 4,500 | - |
| | <u>122,694</u> | <u>122,694</u> | <u>1,891</u> |
| Licenses and Permits | | | |
| Licenses | | | |
| Business Licenses | 10,500 | 10,500 | 7,285 |
| Liquor Licenses | 60,500 | 60,500 | 61,200 |
| Vending License | 11,500 | 11,500 | 10,127 |
| Tobacco License | 1,800 | 1,800 | 1,800 |
| Motor Vehicle Repair | 1,600 | 1,600 | 1,100 |
| Other License | 14,000 | 14,000 | 13,656 |
| | <u>99,900</u> | <u>99,900</u> | <u>95,168</u> |
| Permits | | | |
| Building Permits | 160,000 | 160,000 | 143,435 |
| Hall Rental | 14,401 | 14,401 | 14,401 |
| Park Rental | 500 | 500 | 1,025 |
| | <u>174,901</u> | <u>174,901</u> | <u>158,861</u> |
| Total Licenses and Permits | <u>274,801</u> | <u>274,801</u> | <u>254,029</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 | \$ 4,000 | 4,000 | 4,271 |
| Ambulance Revenue | 370,050 | 370,050 | 405,318 |
| Administrative Review Fee | 7,800 | 7,800 | 7,850 |
| Summer Program Revenue | 1,200 | 1,200 | 1,120 |
| Special Program Revenue | - | - | 10,604 |
| Sex Offender Registration | 500 | 500 | 510 |
| Public Safety Inspections | 10,000 | 10,000 | 12,140 |
| Police Report Fees | 2,100 | 2,100 | 2,412 |
| Total Charges for Services | 395,650 | 395,650 | 444,225 |
| Fines and Forfeitures | | | |
| Circuit Court Fees | 115,000 | 115,000 | 130,977 |
| Administrative Tow Fee | 110,000 | 110,000 | 164,500 |
| D.U.I. Fines | 8,000 | 8,000 | 9,849 |
| Adjudication Fines | 65,000 | 65,000 | 62,924 |
| Other Fines | 20,000 | 20,000 | 11,066 |
| Total Fines and Forfeitures | 318,000 | 318,000 | 379,316 |
| Interest | 40,100 | 40,100 | 36,895 |
| Miscellaneous | | | |
| Donations | 2,000 | 2,000 | 6,300 |
| Reimbursements | 72,500 | 72,500 | 64,659 |
| Franchise Fees | 252,000 | 252,000 | 234,984 |
| Senior Citizens Activities | 4,000 | 4,000 | 7,048 |
| Other Income | 9,800 | 92,824 | 137,046 |
| Total Miscellaneous | 340,300 | 423,324 | 450,037 |
| Total Revenues | 12,296,589 | 12,379,613 | 12,287,457 |

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 | \$ 874,473 | 874,473 | 889,844 |
| Property Taxes - Police Pension | 1,087,741 | 1,087,741 | 1,097,352 |
| Property Taxes - Fire Pension | 136,680 | 136,680 | 136,092 |
| Retailers Occupational Tax | 6,579,012 | 6,579,012 | 6,624,487 |
| Use Tax Revenue | 402,143 | 402,143 | 420,339 |
| Sales Taxes - Business District | 7,500 | 7,500 | 6,647 |
| Illinois Income Tax | 1,605,395 | 1,605,395 | 1,446,387 |
| Replacement Tax | 111,000 | 111,000 | 99,827 |
| Auto Rental Tax | 1,100 | 1,100 | 89 |
| Franchise Fees | 252,000 | 252,000 | 234,984 |
| Interest | 90,000 | 90,000 | 58,762 |
| Gain (Loss) on Investment | (50,000) | (50,000) | (21,881) |
| Other Income | 5,000 | 88,024 | 90,730 |
| Total General Administration | 11,102,044 | 11,185,068 | 11,083,659 |
| Village President | | | |
| Liquor License | 60,500 | 60,500 | 61,200 |
| Village Clerk | | | |
| Vending Sticker Fee | 11,500 | 11,500 | 10,127 |
| Tobacco License | 1,800 | 1,800 | 1,800 |
| Motor Vehicle Repair | 1,600 | 1,600 | 1,100 |
| Administration Review Fee | 2,800 | 2,800 | 2,450 |
| Other License | 3,000 | 3,000 | 2,806 |
| Total Village Clerk | 20,700 | 20,700 | 18,283 |
| Public Benefit | | | |
| Summer Program Revenue | 1,200 | 1,200 | 1,120 |
| Garbage Collection | 4,000 | 4,000 | 4,271 |
| Special Program Revenue | - | - | 10,604 |
| Christmas Parade Donations | 2,000 | 2,000 | 2,250 |
| Garage Sale Revenues | 300 | 300 | 470 |
| Senior Citizens Activities | 4,000 | 4,000 | 7,048 |
| Total Public Benefit | 11,500 | 11,500 | 25,763 |
| Total General Government | 11,194,744 | 11,277,768 | 11,188,905 |

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 | 64,659 |
| Police Grants | 4,500 | 4,500 | 1,891 |
| Circuit Court Fines | 115,000 | 115,000 | 130,977 |
| D.U.I. Fines | 8,000 | 8,000 | 9,849 |
| False Alarm Fines | 4,500 | 4,500 | 900 |
| Fines - Vehicle Fund | 10,000 | 10,000 | 8,665 |
| Sex Offender Registration | 500 | 500 | 510 |
| Alpha Report Fees | 100 | 100 | - |
| Accident Reports Fees | 2,000 | 2,000 | 2,266 |
| Livescan Fingerprint Fee | - | - | 146 |
| Adjudication Revenue | 45,000 | 45,000 | 44,035 |
| Administrative Tow Fees | 110,000 | 110,000 | 164,500 |
| Other Fines | 500 | 500 | 210 |
| National Night Out Donations | - | - | 4,000 |
| Other Income | - | - | 19,173 |
| Police Contributions/Donations | - | - | 50 |
| Total Police Department | 372,600 | 372,600 | 451,831 |
| Fire Department | | | |
| Smoke Detection Inspections | 10,000 | 10,000 | 12,140 |
| Fire Grants | 113,694 | 113,694 | - |
| False Alarm Fines | 500 | 500 | 850 |
| Ambulance Service | 370,050 | 370,050 | 405,318 |
| Other Income | 2,000 | 2,000 | 1,925 |
| Total Fire Department | 496,244 | 496,244 | 420,233 |
| Total Public Safety | 868,844 | 868,844 | 872,064 |
| Public Works | | | |
| Park Rental Fees | 500 | 500 | 1,025 |
| Signs | - | - | 500 |
| Public Works Grants | 4,500 | 4,500 | - |
| Enforced Mowing | 4,500 | 4,500 | 441 |
| Bulk Waste Disposal | 2,500 | 2,500 | 2,343 |
| Other Income | - | - | 21,905 |
| Total Public Works | 12,000 | 12,000 | 26,214 |

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 | | | |
| Hall Rental Fee | \$ 14,401 | 14,401 | 14,401 |
| Building Standards | | | |
| Business Registration Fee | 10,500 | 10,500 | 7,285 |
| Building Permits | 160,000 | 160,000 | 143,435 |
| Zoning Fees | 5,000 | 5,000 | 5,400 |
| Landlord License Registration | 11,000 | 11,000 | 10,850 |
| Adjudication - Code | 20,000 | 20,000 | 18,889 |
| Total Building Standards | 206,500 | 206,500 | 185,859 |
| Employee Benefits | | | |
| Interest | 100 | 100 | 14 |
| Total Revenues by Function/Department | 12,296,589 | 12,379,613 | 12,287,457 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|--|-----------|-----------|-----------|
| | Original | Final | |
| General Government | | | |
| General Administration | | | |
| General Activity | | | |
| Telephones - Office | \$ 9,600 | 9,600 | 9,547 |
| Office Supplies | 12,000 | 12,000 | 10,592 |
| Office Equipment Purchase | 1,500 | 1,500 | 825 |
| Office Equipment Repairs and Maintenance | 3,200 | 3,200 | 1,757 |
| Department Projects | 30,000 | 30,000 | 15,638 |
| Postage | 1,000 | 1,000 | 355 |
| Hardware Purchase | 2,000 | 2,000 | 584 |
| Building/Property Improvements | 275,000 | 369,173 | 369,172 |
| Real Estate Tax Payments | 1,000 | 1,000 | 4,567 |
| General Supplies | 500 | 500 | 118 |
| General Liability Insurance | 410,226 | 461,236 | 461,236 |
| Legal Fees | 200,000 | 200,000 | 199,464 |
| Other Legal Costs | 15,000 | 15,000 | 7,875 |
| Other Fees and Services | 31,000 | 31,000 | 26,044 |
| Miscellaneous | - | - | 30,917 |
| Total General Activity | 992,026 | 1,137,209 | 1,138,691 |
| Support Staff | | | |
| Wages - Support Staff | 31,369 | 31,369 | 33,234 |
| Overtime - Support Staff | 1,500 | 2,953 | 4,182 |
| Stipends | 600 | 600 | 600 |
| Dental Insurance | 381 | - | - |
| Life Insurance and STD | 145 | - | - |
| Medical Insurance | 7,072 | - | - |
| IMRF | 3,888 | - | - |
| FICA | 2,038 | - | - |
| Medicare | 477 | - | - |
| Training and Schooling | 500 | 500 | 459 |
| Total Support Staff | 47,970 | 35,422 | 38,475 |
| Total General Administration | 1,039,996 | 1,172,631 | 1,177,166 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|---------------------------------------|----------------|------------------|------------------|
| | Original | Final | |
| General Government - Continued | | | |
| Benefits | | | |
| General Activity | | | |
| Unemployment Insurance | \$ 20,000 | 20,000 | 13,251 |
| Dental Insurance | - | 71,672 | 71,672 |
| Life and Disability Insurance | - | 21,201 | 20,035 |
| Compensation Pool | 46,339 | - | - |
| Medical Insurance - Village | - | 1,219,388 | 1,129,323 |
| IMRF | - | 270,073 | 260,937 |
| FICA | - | 159,296 | 150,480 |
| Medicare | - | 86,261 | 86,075 |
| Optional Insurance Premiums | - | - | 98 |
| Employee Deductible Reimbursement | 180,000 | 194,197 | 194,197 |
| Total Benefits | 246,339 | 2,042,088 | 1,926,068 |
| Board of Trustees | | | |
| General Activity | | | |
| Salary - Trustees | 28,800 | 28,800 | 28,971 |
| IMRF | 576 | - | - |
| FICA | 1,786 | - | - |
| Medicare | 418 | - | - |
| Conventions and Meetings | 6,600 | 6,600 | 5,016 |
| Total Board of Trustees | 38,180 | 35,400 | 33,987 |
| Village President | | | |
| General Activity | | | |
| Salary - President | 13,200 | 13,200 | 13,279 |
| Telephone - Mobile | 1,000 | 1,000 | 1,042 |
| Mileage | 150 | 150 | - |
| IMRF | 1,571 | - | - |
| FICA | 827 | - | - |
| Medicare | 193 | - | - |
| Memberships | 100 | 100 | - |
| Conventions and Meetings | 2,000 | 2,000 | 1,520 |
| Community Events | 2,500 | 2,500 | 1,456 |
| Travel and Lodging | 1,650 | 1,650 | - |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|--------------------------------|----------|---------|--------|
| | Original | Final | |
| General Government - Continued | | | |
| Village President - Continued | | | |
| General Activity - Continued | | | |
| Meals and Per Diem | \$ 750 | 750 | 21 |
| Amenities for the Sick | 700 | 700 | 733 |
| Miscellaneous | 100 | 100 | 30 |
| Total General Activity | 24,741 | 22,150 | 18,081 |
| Liquor Control | | | |
| Salary - Liquor Commissioner | 1,200 | 1,200 | 1,207 |
| IMRF | 157 | - | - |
| FICA | 66 | - | - |
| Medicare | 20 | - | - |
| Total Liquor Control | 1,443 | 1,200 | 1,207 |
| Total Village President | 26,184 | 23,350 | 19,288 |
| Village Administrator | | | |
| Management | | | |
| Salary - Administrator | 94,495 | 99,395 | 52,675 |
| Telephone - Mobile | 1,000 | 1,000 | 714 |
| Vehicle Fuel, Gas, Oil | - | - | 175 |
| Mileage | 500 | 500 | |
| Dental Insurance | 762 | - | - |
| Life and Disability Insurance | 290 | - | - |
| Medical Insurance | 14,144 | - | - |
| IMRF | 11,728 | - | - |
| FICA | 6,152 | - | - |
| Medicare | 1,439 | - | - |
| Memberships | 1,085 | 1,085 | 740 |
| Conventions and Meetings | 2,000 | 2,000 | 109 |
| Training and Registration | 1,500 | 1,500 | 721 |
| Meals and Per Diem | 400 | 400 | 182 |
| Total Village Administrator | 135,495 | 105,880 | 55,316 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|---------------------------------|-----------|--------|--------|
| | Original | Final | |
| General Government - Continued | | | |
| Legal | | | |
| General Activity | | | |
| Wages - Paralegal | \$ 57,833 | 57,833 | 58,251 |
| Overtime | 1,400 | 2,712 | 2,715 |
| Stipends | 1,700 | 1,700 | 1,700 |
| Dental Insurance | 1,080 | - | - |
| Life and Disability Insurance | 290 | - | - |
| IMRF | 6,836 | - | - |
| FICA | 3,800 | - | - |
| Medicare | 1,000 | - | - |
| Conventions and Meetings | 300 | 300 | - |
| Total Legal | 74,239 | 62,545 | 62,666 |
| Village Clerk | | | |
| General Activity | | | |
| Salary - Clerk | 8,100 | 8,100 | 7,545 |
| Mileage | 350 | 350 | 286 |
| Department Projects | 2,000 | 2,000 | 1,416 |
| FICA | 465 | - | - |
| Medicare | 109 | - | - |
| Memberships | 500 | 500 | 700 |
| Publications, Notices and Legal | 4,500 | 4,500 | 42 |
| Conventions and Meetings | 600 | 600 | 520 |
| Codification | 3,000 | 3,000 | 1,150 |
| Travel and Lodging | 600 | 600 | 645 |
| Meals and Per Diem | 150 | 150 | 128 |
| Total Village Clerk | 20,374 | 19,800 | 12,432 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|--------------------------------|------------|-----------|-----------|
| | Original | Final | |
| General Government - Continued | | | |
| Village Treasurer | | | |
| General Activity | | | |
| Salary - Treasurer | \$ 127,637 | 133,671 | 61,305 |
| Stipends | 2,822 | 2,822 | 2,822 |
| Telephone - Mobile | 750 | 750 | 242 |
| Mileage | 700 | 700 | 28 |
| Dental Insurance | 1,080 | - | - |
| Life and Disability Insurance | 290 | - | - |
| Health Insurance | 21,543 | - | - |
| IMRF | 15,999 | - | - |
| FICA | 7,886 | - | - |
| Medicare | 2,162 | - | - |
| Temporary Help | - | - | 27,745 |
| Audit Fees | 12,500 | 12,500 | 7,795 |
| Memberships | 440 | 440 | 440 |
| Conventions and Meetings | 1,500 | 1,500 | (31) |
| Travel and Lodging | 1,750 | 1,750 | - |
| Meals and Per Diem | 600 | 600 | - |
| | | | |
| Total Village Treasurer | 197,659 | 154,733 | 100,346 |
| | | | |
| Public Benefit | | | |
| General Activity | | | |
| Salary - Police Pension Board | 600 | 600 | 436 |
| FICA | 50 | - | - |
| Medicare | 15 | - | - |
| Christmas Activities | 5,000 | 5,000 | 5,276 |
| Senior Citizen Activities | 6,000 | 6,000 | 5,400 |
| Community Calendar | 4,500 | 4,500 | 4,486 |
| Metro Transit Contribution | 35,741 | 35,741 | 35,741 |
| Engineer Cost | 74,000 | 74,000 | 66,867 |
| Fire Pension Cost | 136,680 | 136,680 | 136,081 |
| Police Pension Cost | 1,087,741 | 1,087,741 | 1,097,352 |
| Community Garage Sale | 250 | 250 | 356 |
| Total General Activity | 1,350,577 | 1,350,512 | 1,351,995 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|-------------------------------------|-----------|-----------|-----------|
| | Original | Final | |
| General Government - Continued | | | |
| Public Benefit - Continued | | | |
| Community Affairs | | | |
| Miscellaneous Programs and Projects | \$ 15,000 | 15,000 | 16,999 |
| Summer Recreation | | | |
| Wages - Summer Recreation | 7,000 | 7,000 | 6,972 |
| FICA | 434 | - | - |
| Medicare | 155 | - | - |
| Program Supplies | 1,500 | 1,500 | 1,261 |
| Total Summer Recreation | 9,089 | 8,500 | 8,233 |
| Total Public Benefit | 1,374,666 | 1,374,012 | 1,377,227 |
| Total General Government | 3,153,132 | 4,990,439 | 4,764,496 |
| Public Safety | | | |
| Police Department | | | |
| General Activity | | | |
| Telephone - Mobile | 21,000 | 21,000 | 19,212 |
| Telephone - Office | 10,000 | 10,000 | 12,021 |
| Lead Communications | 6,000 | 6,000 | 5,316 |
| Vehicle Repair and Maintenance | 70,000 | 70,000 | 51,613 |
| Vehicle Fuel, Gas, Oil | 60,000 | 60,000 | 62,105 |
| Vehicle Purchase | 120,000 | 120,000 | 116,985 |
| Vehicle License | 1,500 | 1,500 | 641 |
| Equipment Repair | 10,000 | 10,000 | 11,057 |
| Equipment Purchase | 250,950 | 250,950 | 173,108 |
| Office Supplies | 17,000 | 17,000 | 11,437 |
| Office Equipment Purchase | 1,800 | 1,800 | 1,574 |
| Office Equipment Repair and Maint. | 2,400 | 2,400 | 55 |
| Postage | 1,400 | 1,400 | 1,265 |
| Software Purchase | 12,354 | 12,354 | 9,177 |
| Hardware Purchase | 12,000 | 12,000 | 14,087 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|-------------------------------|-----------|---------|---------|
| | Original | Final | |
| Public Safety - Continued | | | |
| Police Department - Continued | | | |
| General Activity - Continued | | | |
| General Supplies | \$ 15,000 | 15,000 | 11,101 |
| Medical Payments | 1,500 | 1,500 | 418 |
| Memberships | 5,000 | 5,000 | 4,196 |
| Publications and Notices | 400 | 400 | 163 |
| Training and Registration | 23,000 | 23,000 | 15,355 |
| Tuition Reimbursement | 20,000 | 20,000 | 31,865 |
| Travel and Lodging | - | - | 1,432 |
| Meals and Per Diem | 1,800 | 1,800 | 4,306 |
| Shooting Range | 32,000 | 63,800 | 63,800 |
| Other Fees and Services | 50,000 | 50,000 | 47,466 |
| Uniforms | 14,000 | 14,000 | 8,958 |
| Miscellaneous | 700 | 700 | 650 |
| Community Projects | 13,000 | 13,000 | 6,786 |
| Total General Activity | 772,804 | 804,604 | 686,149 |
| Management | | | |
| Salary - Management | 340,372 | 406,212 | 405,482 |
| Overtime - Management | - | - | 675 |
| Stipends | 11,071 | 11,071 | 12,135 |
| Dental Insurance | 2,922 | - | - |
| Life and Disability Insurance | 868 | - | - |
| Medical Insurance | 57,230 | - | - |
| Medicare | 5,191 | - | - |
| Total Management | 417,654 | 417,283 | 418,292 |
| Support Staff | | | |
| Wages - Support Staff | 124,499 | 124,499 | 130,007 |
| Overtime - Support Staff | 3,000 | 9,285 | 12,083 |
| 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, 2018**

| | Budget | | Actual |
|-------------------------------|-----------|-----------|-----------|
| | Original | Final | |
| Public Safety - Continued | | | |
| Police Department - Continued | | | |
| Support Staff - Continued | | | |
| Life and Disability Insurance | \$ 290 | - | - |
| IMRF | 14,716 | - | - |
| FICA | 7,905 | - | - |
| Medicare | 1,849 | - | - |
| Total Support Staff | 155,159 | 136,684 | 144,990 |
| Supervisory Staff | | | |
| Wages - Supervisory Staff | 631,018 | 680,508 | 685,121 |
| Overtime | 45,000 | 69,391 | 68,870 |
| Premium Overtime | - | - | 663 |
| Stipends | 18,900 | 18,900 | 18,900 |
| Court Pay | 2,500 | 2,500 | 1,367 |
| Shift Premium | 5,000 | 5,000 | 3,405 |
| Dental Insurance | 6,826 | - | - |
| Life and Disability Insurance | 2,024 | - | - |
| Medical Insurance | 136,487 | - | - |
| Medicare | 9,867 | - | - |
| Total Supervisory Staff | 857,622 | 776,299 | 778,326 |
| Patrol Officers | | | |
| Wages - Patrol Officers | 1,638,861 | 1,638,861 | 1,610,886 |
| Overtime | 80,000 | 193,704 | 182,754 |
| Premium Overtime | 1,000 | 1,000 | 696 |
| Stipends | 62,100 | 62,100 | 60,475 |
| Court Pay | 9,000 | 9,000 | 10,069 |
| Shift Premium | 17,000 | 17,000 | 18,730 |
| Dental Insurance | 19,256 | - | - |
| Life and Disability Insurance | 6,649 | - | - |
| Medical Insurance | 409,606 | - | - |
| Medicare | 25,413 | - | - |
| Total Patrol Officers | 2,268,885 | 1,921,665 | 1,883,610 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|-------------------------------------|------------|-----------|-----------|
| | Original | Final | |
| Public Safety - Continued | | | |
| Police Department - Continued | | | |
| Dispatch | | | |
| Wages - Dispatch | \$ 545,595 | 545,595 | 551,186 |
| Overtime | 25,000 | 47,828 | 48,667 |
| Stipends | 19,000 | 19,000 | 18,863 |
| Shift Premium | 8,000 | 8,000 | 8,943 |
| Dental Insurance | 9,016 | - | - |
| Life and Disability Insurance | 2,891 | - | - |
| Medical Insurance | 172,004 | - | - |
| IMRF | 68,378 | - | - |
| FICA | 35,836 | - | - |
| Medicare | 8,381 | - | - |
| Total Dispatch | 894,101 | 620,423 | 627,659 |
| Part-Time Personnel | | | |
| Wages - Crossing Guards | 26,000 | 26,000 | 22,405 |
| FICA | 1,612 | - | - |
| Medicare | 377 | - | - |
| Total Part-Time Personnel | 27,989 | 26,000 | 22,405 |
| Community Service Officer | | | |
| Animal Control Expenditures | 7,000 | 7,000 | 4,075 |
| Total Police Department | 5,401,214 | 4,709,958 | 4,565,506 |
| Fire and Police Commission | | | |
| General Activity | | | |
| Salary - Fire and Police Commission | 3,800 | 3,800 | 4,090 |
| Overtime - Secretary | - | - | 41 |
| Office Supplies | 500 | 500 | - |
| Postage | 100 | 100 | - |
| FICA | 236 | - | - |
| Medicare | 56 | - | - |
| Memberships | 375 | 375 | 534 |
| Publications and Notices | 500 | 500 | - |
| Conventions and Meetings | - | - | 867 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|--|-----------|---------|---------|
| | Original | Final | |
| Public Safety - Continued | | | |
| Fire and Police Commission - Continued | | | |
| General Activity - Continued | | | |
| Recruit Testing | \$ 12,000 | 12,000 | 7,545 |
| Training and Schooling | 2,000 | 2,000 | - |
| Travel and Lodging | 1,000 | 1,000 | - |
| Meals and Per Diem | 500 | 500 | - |
| Total Fire and Police Commission | 21,067 | 20,775 | 13,077 |
| Fire Department | | | |
| General Activity | | | |
| Telephone - Mobile | 4,000 | 4,000 | 5,619 |
| Telephone - Office | 500 | 500 | 259 |
| Vehicle Repair and Maintenance | 50,000 | 50,000 | 38,235 |
| Vehicle Fuel, Gas and Oil | 11,000 | 11,000 | 11,277 |
| Equipment Repair | 183,000 | 183,000 | 163,384 |
| Equipment Purchase | 144,594 | 144,594 | 31,806 |
| Office Supplies | 4,000 | 4,000 | 4,209 |
| Office Equipment Purchase | 1,250 | 1,250 | - |
| Office Equipment Repair and Maint. | 1,000 | 1,000 | 209 |
| Software Maintenance | 9,000 | 9,000 | 6,515 |
| Hardware Maintenance | 3,000 | 3,000 | 2,528 |
| Postage | 300 | 300 | 37 |
| Hardware Purchase | 1,500 | 1,500 | 97 |
| General Supplies | 3,000 | 3,000 | 3,214 |
| Training and Registration | 10,000 | 10,000 | 5,571 |
| Travel and Lodging | 500 | 500 | - |
| Meals and Per Diem | 500 | 500 | 45 |
| Training Materials | 4,000 | 4,000 | 2,323 |
| Training Equipment | 2,500 | 2,500 | 38 |
| Equipment Testing Service | 12,000 | 12,000 | 12,029 |
| Other Fees and Services | 8,000 | 8,000 | 4,440 |
| Andre Medical Billing Service | 27,500 | 27,500 | 25,786 |
| Miscellaneous | 500 | 500 | - |
| Total General Activity | 481,644 | 481,644 | 317,621 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|-------------------------------|------------|---------|---------|
| | Original | Final | |
| Public Safety - Continued | | | |
| Fire Department - Continued | | | |
| Management | | | |
| Salary - Management | \$ 125,208 | 130,951 | 130,848 |
| Wages - FD Officer | 6,000 | 6,000 | 4,657 |
| Stipends | 1,200 | 1,200 | 1,200 |
| Dental Insurance | 1,080 | - | - |
| Life and Disability Insurance | 290 | - | - |
| Medical Insurance | 21,543 | - | - |
| FICA | 372 | - | - |
| Medicare | 1,990 | - | - |
| Memberships | 1,200 | 1,200 | 793 |
| Publications and Notices | 1,000 | 1,000 | 659 |
| Travel and Lodging | 500 | 500 | - |
| Meals and Per Diem | 200 | 200 | 57 |
| Total Management | 160,583 | 141,051 | 138,214 |
| Support Staff | | | |
| Wages - Support Staff | 56,092 | 56,092 | 56,231 |
| Overtime - Support Staff | 400 | 400 | 34 |
| Stipends | 1,200 | 1,200 | 1,200 |
| Dental Insurance | 1,080 | - | - |
| Life and Disability Insurance | 290 | - | - |
| Medical Insurance | 21,543 | - | - |
| IMRF | 6,730 | - | - |
| FICA | 3,578 | - | - |
| Medicare | 863 | - | - |
| Total Support Staff | 91,776 | 57,692 | 57,465 |
| Fire Suppression/Rescue | | | |
| Wages - Paid on Call | 135,000 | 135,000 | 105,183 |
| Longevity Pay | - | - | 125 |
| POC Accident and Health | 4,500 | - | - |
| FICA | 8,370 | - | - |
| Medicare | 1,958 | - | - |
| Uniforms | 2,500 | 2,500 | 1,018 |
| Total Fire Suppression/Rescue | 152,328 | 137,500 | 106,326 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|---------------------------------|------------|-----------|-----------|
| | Original | Final | |
| Public Safety - Continued | | | |
| Fire Department - Continued | | | |
| EMS | | | |
| Wages - EMS | \$ 342,188 | 342,188 | 389,992 |
| Wages - Part-Time EMS | 29,000 | 29,000 | 21,040 |
| Overtime - EMS | 80,000 | 80,000 | 100,357 |
| Stipends | 14,050 | 14,050 | 14,350 |
| Longevity - EMS | 17,500 | 17,500 | 4,421 |
| Dental Insurance | 5,237 | - | - |
| Life and Disability Insurance | 1,736 | - | - |
| Medical Insurance | 108,514 | - | - |
| FICA | 1,800 | - | - |
| Medicare | 6,300 | - | - |
| Medical Supplies | 10,000 | 10,000 | 13,775 |
| Medical Equipment | 8,000 | 8,000 | 554 |
| Uniform Cleaning | 300 | 300 | - |
| Miscellaneous | 200 | 200 | 75 |
| Total EMS | 624,825 | 501,238 | 544,564 |
| Total Fire Department | 1,511,156 | 1,319,125 | 1,164,190 |
| Total Public Safety | 6,933,437 | 6,049,858 | 5,742,773 |
| Public Works | | | |
| General Activity | | | |
| Telephone - Mobile | 1,500 | 1,500 | 2,139 |
| Telephone - Office | 9,000 | 9,000 | 9,646 |
| Electric | 5,000 | 5,000 | 5,932 |
| Water and Sewer | 2,000 | 2,000 | 2,300 |
| Vehicle Fuel, Gas and Oil | 35,000 | 35,000 | 36,277 |
| Vehicle Purchase | 28,373 | 28,373 | 1,966 |
| Office Supplies | 500 | 500 | 887 |
| Office Equipment Purchase | - | - | 449 |
| Software Purchase | - | - | 2,461 |
| Computer Hardware | 2,000 | 2,000 | 1,065 |
| Building Repair and Maintenance | 6,000 | 6,000 | 935 |
| Exterminating | 4,750 | 4,750 | 4,623 |
| Tree Removal | 45,000 | 45,000 | 26,644 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|-------------------------------------|-----------|---------|---------|
| | Original | Final | |
| Public Works - Continued | | | |
| General Activity - Continued | | | |
| Leaf Disposal | \$ 13,000 | 13,000 | 7,700 |
| Other Fees and Services | 1,500 | 1,500 | 2,010 |
| Lien Filing Fee | - | - | (464) |
| Total General Activity | 153,623 | 153,623 | 104,570 |
| Management | | | |
| Salary - Management | 123,567 | 128,767 | 115,291 |
| Telephone - Mobile | - | - | 75 |
| Vehicle Repair and Maintenance | - | - | 249 |
| General Supplies | - | - | 65 |
| Dental Insurance | 1,302 | - | - |
| Life and Disability Insurance | 434 | - | - |
| Medical Insurance | 24,916 | - | - |
| IMRF | 14,913 | - | - |
| FICA | 7,662 | - | - |
| Medicare | 1,853 | - | - |
| Memberships | 500 | 500 | - |
| Conventions and Meetings | 400 | 400 | - |
| Meals and Per Diem | 100 | 100 | 44 |
| Miscellaneous | - | - | 81 |
| Total Management | 175,647 | 129,767 | 115,805 |
| Street Lighting | | | |
| Electric - Street Lights | 93,000 | 93,000 | 111,798 |
| Traffic Light Repair | 30,000 | 30,000 | 24,542 |
| Street Light Repair and Maintenance | 20,000 | 20,000 | 3,880 |
| Total Street Lighting | 143,000 | 143,000 | 140,220 |
| Street and Alley Maintenance | | | |
| Wages - Street Alley | 544,190 | 544,190 | 542,400 |
| Wages - Part-Time | 19,200 | 19,200 | 13,695 |
| Overtime - Street Alley | 12,000 | 14,980 | 14,976 |
| Premium Overtime | 4,000 | 4,000 | 16,637 |
| Stipends | 16,250 | 16,250 | 17,318 |
| Vehicle Repair and Maintenance | 45,000 | 45,000 | 27,361 |
| Equipment Repair | 45,000 | 45,000 | 46,808 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|--|------------|-----------|-----------|
| | Original | Final | |
| Public Works - Continued | | | |
| Street and Alley Maintenance - Continued | | | |
| Stormwater Projects | \$ 120,000 | 120,000 | 112,125 |
| Street Maintenance and Repair | 30,000 | 30,000 | 21,055 |
| Alley Maintenance and Repair | 7,500 | 7,500 | - |
| Equipment Purchase | 102,000 | 102,000 | 110,483 |
| Equipment Rental | 4,000 | 4,000 | 505 |
| Bulk Waste Disposal | 15,000 | 15,000 | 11,901 |
| Gravel and Sand | 2,000 | 2,000 | 545 |
| Salt | 75,000 | 75,000 | 48,974 |
| General Supplies | 10,000 | 10,000 | 10,408 |
| Dental Insurance | 5,717 | - | - |
| Life and Disability Insurance | 2,602 | - | - |
| Medical Insurance | 123,771 | - | - |
| IMRF | 66,124 | - | - |
| FICA | 34,670 | - | - |
| Medicare | 8,109 | - | - |
| Conventions and Meetings | - | - | 905 |
| Training and Schooling | 1,000 | 1,000 | - |
| Total Street and Alley Maintenance | 1,293,133 | 1,055,120 | 996,096 |
| Facility Maintenance | | | |
| Electric | 1,000 | 1,000 | 562 |
| Water and Sewer | 9,500 | 9,500 | 9,862 |
| Parks and Lawn Maintenance | 60,000 | 60,000 | 58,611 |
| Building/Property Maintenance | 200,000 | 200,000 | 47,385 |
| General Supplies | 20,000 | 20,000 | 19,500 |
| Total Facility Maintenance | 290,500 | 290,500 | 135,920 |
| Total Public Works | 2,055,903 | 1,772,010 | 1,492,611 |
| Building Standards | | | |
| General Activity | | | |
| Telephone - Mobile | 5,000 | 5,000 | 4,628 |
| Telephone - Office | 600 | 600 | 431 |
| Vehicle Repair and Maintenance | 2,000 | 2,000 | 646 |
| Vehicle Fuel, Gas and Oil | 3,400 | 3,400 | 3,175 |
| Mileage | 500 | 500 | - |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|---|----------|---------|---------|
| | Original | Final | |
| Building Standards - Continued | | | |
| General Activity - Continued | | | |
| Equipment Purchase | \$ 1,000 | 1,000 | 730 |
| Office Supplies | 5,500 | 5,500 | 4,487 |
| Office Equipment Purchase | 1,750 | 1,750 | 1,410 |
| Office Equipment Repair and Maintenance | 2,500 | 2,500 | 2,466 |
| Postage | 1,350 | 1,350 | 1,240 |
| Software Purchase | - | - | 615 |
| Hardware Purchase | 1,500 | 1,500 | 1,483 |
| Demolition | 50,000 | 50,000 | 17,675 |
| General Supplies | 500 | 500 | 515 |
| Memberships | 500 | 500 | 255 |
| Other Fees and Services | 2,500 | 2,500 | 681 |
| Miscellaneous | 100 | 100 | - |
| Total General Activity | 78,700 | 78,700 | 40,437 |
| Management | | | |
| Salary - Management | 103,972 | 108,887 | 106,851 |
| Stipends | 1,700 | 1,700 | 1,700 |
| Dental Insurance | 762 | - | - |
| Life and Disability Insurance | 304 | - | - |
| Medical Insurance | 14,638 | - | - |
| IMRF | 13,375 | - | - |
| FICA | 7,250 | - | - |
| Medicare | 1,679 | - | - |
| Literature and Periodicals | 500 | 500 | 244 |
| Training and Schooling | 1,800 | 1,800 | 1,257 |
| Travel and Lodging | 500 | 500 | 285 |
| Meals and Per Diem | 100 | 100 | 80 |
| Total Management | 146,580 | 113,487 | 110,417 |
| Support Staff | | | |
| Wages - Support Staff | 305,464 | 305,464 | 305,955 |
| Wages - Part-Time - Support Staff | 38,365 | 38,365 | 37,743 |
| Overtime - Support Staff | 250 | 250 | 2,949 |
| Stipends | 6,000 | 6,000 | 6,000 |
| Mileage | 3,600 | 3,600 | 2,943 |
| Dental Insurance | 3,146 | - | - |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|--------------------------------|----------|---------|---------|
| | Original | Final | |
| Building Standards - Continued | | | |
| Support Staff - Continued | | | |
| Life and Disability Insurance | \$ 1,518 | - | - |
| Medical Insurance | 67,733 | - | - |
| IMRF | 36,322 | - | - |
| FICA | 21,669 | - | - |
| Medicare | 5,251 | - | - |
| Total Support Staff | 489,318 | 353,679 | 355,590 |
| Planning Commission | | | |
| Salary - Plan Commission | 5,000 | 5,000 | 2,680 |
| Postage | 4,500 | 4,500 | 1,910 |
| FICA | 310 | - | - |
| Medicare | 75 | - | - |
| Total Plan Commission | 9,885 | 9,500 | 4,590 |
| Total Building Standards | 724,483 | 555,366 | 511,034 |
| Economic Incentive/Development | | | |
| General Activity | | | |
| Hove Sales Tax Rebate | 35,000 | 35,000 | 35,000 |
| Information Technology | | | |
| General Activity | | | |
| Wages - Information Technology | 74,109 | 77,565 | 75,131 |
| Stipends | 2,012 | 2,012 | 2,011 |
| Contract Labor | 6,500 | 6,500 | 6,433 |
| Telephone - Mobile | 850 | 850 | 714 |
| Tech Support Modem | 825 | 825 | 655 |
| Internet Access | 4,100 | 4,100 | 4,104 |
| Mileage | 250 | 250 | 268 |
| Equipment Purchase | 700 | 700 | 697 |
| Office Supplies | 600 | 600 | 519 |
| Software Maintenance | 30,000 | 48,128 | 48,128 |
| Hardware Maintenance | 500 | 500 | 519 |
| Department Projects | 15,000 | 15,000 | 14,079 |
| Software Purchase | 400 | 400 | 241 |
| Hardware Purchase | 2,500 | 2,500 | 1,795 |

VILLAGE OF BRADLEY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|--------------------------------------|------------|------------|------------|
| | Original | Final | |
| Information Technology - Continued | | | |
| General Activity - Continued | | | |
| Dental Insurance | \$ 762 | - | - |
| Life and Disability Insurance | 290 | - | - |
| Medical Insurance | 14,144 | - | - |
| IMRF | 8,760 | - | - |
| FICA | 4,522 | - | - |
| Medicare | 1,061 | - | - |
| Total Information Technology | 167,885 | 159,930 | 155,294 |
| Employee Benefits | | | |
| Payment to VEBA | 15,000 | 15,000 | 13,487 |
| Transfer to Retiree Health Insurance | 500,000 | 500,000 | 500,000 |
| Total Employee Benefits | 515,000 | 515,000 | 513,487 |
| Debt Service | | | |
| Principal Payment | - | - | 26,961 |
| Interest and Fiscal Charges | - | - | 1,412 |
| Total Debt Service | - | - | 28,373 |
| Total Expenditures | 13,584,840 | 14,077,603 | 13,243,068 |

VILLAGE OF BRADLEY, ILLINOIS

Nonmajor Governmental Funds

**Combining Balance Sheet
April 30, 2018**

See Following Page

VILLAGE OF BRADLEY, ILLINOIS

Nonmajor Governmental Funds

**Combining Balance Sheet
April 30, 2018**

| | Motor Fuel Tax | Foreign Fire Insurance | Special Police Seizure |
|--|----------------------|---------------------------|------------------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 531,664 | 47,227 | 82,068 |
| Receivables - Net of Allowances Other Taxes | 36,388 | - | - |
| Due from Other Funds | - | - | - |
| Prepays | 9,154 | - | - |
| Total Assets | 577,206 | 47,227 | 82,068 |
| LIABILITIES | | | |
| Accounts Payable | 24,323 | - | 6,158 |
| Due to Other Funds | 99,066 | - | 57,363 |
| Total Liabilities | 123,389 | - | 63,521 |
| FUND BALANCES | | | |
| Nonspendable | 9,154 | - | - |
| Restricted | 444,663 | 47,227 | 18,547 |
| Total Fund Balances | 453,817 | 47,227 | 18,547 |
| Total Liabilities and Fund Balances | 577,206 | 47,227 | 82,068 |

| Revenue | | | | | |
|------------|-----------------|-------------|-------------------------|------------------|-----------|
| Cell Tower | L Power Rd. TIF | Scrap Metal | Debt Service GO Bond | Capital Projects | Totals |
| 46,371 | 21,791 | 19,586 | 2,730 | 384,952 | 1,136,389 |
| - | - | - | - | 23,640 | 60,028 |
| - | - | 70 | - | - | 70 |
| - | - | - | - | - | 9,154 |
| 46,371 | 21,791 | 19,656 | 2,730 | 408,592 | 1,205,641 |
| - | - | - | - | 4,689 | 35,170 |
| - | - | - | - | 113,772 | 270,201 |
| - | - | - | - | 118,461 | 305,371 |
| - | - | - | - | - | 9,154 |
| 46,371 | 21,791 | 19,656 | 2,730 | 290,131 | 891,116 |
| 46,371 | 21,791 | 19,656 | 2,730 | 290,131 | 900,270 |
| 46,371 | 21,791 | 19,656 | 2,730 | 408,592 | 1,205,641 |

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, 2018**

| | Motor Fuel Tax | Foreign Fire Insurance | Special Police Seizure |
|-----------------------------|----------------------|---------------------------|------------------------------|
| Revenues | | | |
| Taxes | \$ - | 20,467 | - |
| Intergovernmental | 424,209 | - | - |
| Fines and Forfeitures | - | - | 15,763 |
| Interest | 6,210 | 40 | 62 |
| Miscellaneous | - | - | 13,201 |
| Total Revenues | 430,419 | 20,507 | 29,026 |
| Expenditures | | | |
| Public Safety | - | 8,221 | 7,721 |
| Public Works | 531,319 | - | - |
| Capital Outlay | - | - | 20,714 |
| Total Expenditures | 531,319 | 8,221 | 28,435 |
| Net Change in Fund Balances | (100,900) | 12,286 | 591 |
| Fund Balances - Beginning | 554,717 | 34,941 | 17,956 |
| Fund Balances - Ending | 453,817 | 47,227 | 18,547 |

| Revenue | | | | | |
|------------|-----------------|-------------|-------------------------|------------------|---------|
| Cell Tower | L Power Rd. TIF | Scrap Metal | Debt Service GO Bond | Capital Projects | Totals |
| - | 2,225 | - | - | 220,436 | 243,128 |
| - | - | - | - | - | 424,209 |
| - | - | - | - | - | 15,763 |
| (1) | 31 | 70 | - | 269 | 6,681 |
| 34,750 | - | - | - | 8,608 | 56,559 |
| 34,749 | 2,256 | 70 | - | 229,313 | 746,340 |
| - | - | - | - | - | 15,942 |
| 2,756 | - | - | - | - | 534,075 |
| - | - | - | - | 114,157 | 134,871 |
| 2,756 | - | - | - | 114,157 | 684,888 |
| 31,993 | 2,256 | 70 | - | 115,156 | 61,452 |
| 14,378 | 19,535 | 19,586 | 2,730 | 174,975 | 838,818 |
| 46,371 | 21,791 | 19,656 | 2,730 | 290,131 | 900,270 |

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, 2018**

| | Budget | | Actual |
|----------------------------------|-----------------|-----------------|----------------|
| | Original | Final | |
| Revenues | | | |
| Intergovernmental | | | |
| Motor Fuel Tax Allotments | \$ 427,796 | 427,796 | 424,209 |
| Interest | 1,200 | 1,200 | 6,210 |
| Total Revenues | <u>428,996</u> | <u>428,996</u> | <u>430,419</u> |
| Expenditures | | | |
| Public Works | | | |
| Annual Maintenance - Contractors | 426,638 | 449,197 | 449,197 |
| Annual Maintenance - Engineers | 68,536 | 68,536 | 72,136 |
| Road Signs | 10,000 | 10,000 | 9,986 |
| Total Expenditures | <u>505,174</u> | <u>527,733</u> | <u>531,319</u> |
| Net Change in Fund Balance | <u>(76,178)</u> | <u>(98,737)</u> | (100,900) |
| Fund Balance - Beginning | | | <u>554,717</u> |
| Fund Balance - Ending | | | <u>453,817</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, 2018**

| | Budget | | Actual |
|----------------------------|----------|----------|---------------|
| | Original | Final | |
| Revenues | | | |
| Interest | \$ - | - | (1) |
| Miscellaneous | 33,000 | 33,000 | 34,750 |
| Total Revenues | 33,000 | 33,000 | 34,749 |
| Expenditures | | | |
| Public Works | | | |
| Fees and Services | 33,000 | 33,000 | 2,756 |
| Net Change in Fund Balance | <u>-</u> | <u>-</u> | 31,993 |
| Fund Balance - Beginning | | | <u>14,378</u> |
| Fund Balance - Ending | | | <u>46,371</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, 2018**

| | Budget | | Actual |
|----------------------------|----------------|----------------|----------------|
| | Original | Final | |
| Revenues | | | |
| Taxes | \$ 155,000 | 155,000 | 220,436 |
| Intergovernmental | 25,000 | 25,000 | - |
| Interest | 200 | 200 | 269 |
| Miscellaneous | 2,500 | 2,500 | 8,608 |
| Total Revenues | <u>182,700</u> | <u>182,700</u> | 229,313 |
| Expenditures | | | |
| Capital Outlay | <u>142,000</u> | <u>142,000</u> | 114,157 |
| Net Change in Fund Balance | <u>40,700</u> | <u>40,700</u> | 115,156 |
| Fund Balance - Beginning | | | <u>174,975</u> |
| Fund Balance - Ending | | | <u>290,131</u> |

VILLAGE OF BRADLEY, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|----------------------------------|--------------------|--------------------|-----------------------|
| | Original | Final | |
| Operating Revenues | | | |
| Charges for Services | \$ 1,479,665 | 1,479,665 | 1,492,177 |
| Other Revenue | 80,500 | 80,500 | 12,774 |
| Total Operating Revenues | <u>1,560,165</u> | <u>1,560,165</u> | <u>1,504,951</u> |
| Operating Expenses | | | |
| Operations | | | |
| Operations and Management | | | |
| General Activity | 1,396,388 | 1,396,388 | 1,296,270 |
| Management | 76,951 | 55,000 | 40,917 |
| Support Staff | 123,992 | 85,027 | 108,436 |
| Sewer Maintenance | 999,916 | 1,061,698 | 510,522 |
| Depreciation | 369,600 | 369,600 | 322,668 |
| Amortization | - | - | (14,030) |
| Total Operating Expenses | <u>2,966,847</u> | <u>2,967,713</u> | <u>2,264,783</u> |
| Operating Income (Loss) | <u>(1,406,682)</u> | <u>(1,407,548)</u> | <u>(759,832)</u> |
| Nonoperating Revenues (Expenses) | | | |
| Property Taxes | 400,550 | 400,550 | 399,038 |
| Tap-On Fees | 30,000 | 30,000 | 44,800 |
| Principal Retirement | (250,000) | (250,000) | - |
| Interest and Fiscal Charges | (150,550) | (150,550) | (148,828) |
| | <u>30,000</u> | <u>30,000</u> | <u>295,010</u> |
| Change in Net Position | <u>(1,376,682)</u> | <u>(1,377,548)</u> | (464,822) |
| Net Position - Beginning | | | <u>1,113,608</u> |
| Net Position - Ending | | | <u><u>648,786</u></u> |

VILLAGE OF BRADLEY, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|-----------------------------------|------------------|------------------|------------------|
| | Original | Final | |
| Operations and Maintenance | | | |
| General Activity | | | |
| Telephone - Office | \$ 4,500 | 4,500 | 5,788 |
| J.U.L.I.E. Locates | 3,000 | 3,000 | 4,702 |
| Electric | 8,000 | 8,000 | 10,236 |
| Heating Gas | 2,500 | 2,500 | - |
| Water and Sewer | 1,000 | 1,000 | 925 |
| Vehicle Fuel, Gas and Oil | 5,000 | 5,000 | 6,524 |
| Equipment Repair | 1,000 | 1,000 | 1,203 |
| Equipment Purchase | 57,588 | 57,588 | 62 |
| Office Supplies | 1,000 | 1,000 | 432 |
| Postage | 25,000 | 25,000 | 27,493 |
| Hardware Purchase | 1,000 | 1,000 | - |
| Building Repair and Maintenance | - | - | 38 |
| General Supplies | 1,000 | 1,000 | 812 |
| Audit Fees | 6,000 | 6,000 | 6,000 |
| Exterminating | 1,000 | 1,000 | - |
| Engineering Service | 60,000 | 60,000 | 34,790 |
| Other Fees and Services | 32,000 | 32,000 | 20,449 |
| Compensated Absences | - | - | (9,895) |
| Lien Filing Fee | - | - | (91) |
| Metro Sewer Service | 1,186,800 | 1,186,800 | 1,186,802 |
| Total General Activity | <u>1,396,388</u> | <u>1,396,388</u> | <u>1,296,270</u> |
| Management | | | |
| Salary - Management | 52,000 | 52,000 | 39,372 |
| Telephone - Mobile | 1,200 | 1,200 | 1,342 |
| Vehicle Repair and Maintenance | 500 | 500 | 203 |
| Dental Insurance | 540 | - | - |
| Life Insurance and STD | 145 | - | - |
| Medical Insurance | 10,772 | - | - |
| IMRF | 6,454 | - | - |
| FICA | 3,224 | - | - |
| Medicare | 816 | - | - |
| Memberships | 300 | 300 | - |
| Conventions and Meetings | 400 | 400 | - |
| Training and Schooling | 500 | 500 | - |
| Meals | 100 | 100 | - |
| Total Management | <u>76,951</u> | <u>55,000</u> | <u>40,917</u> |

VILLAGE OF BRADLEY, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|--|-----------|-----------|-----------|
| | Original | Final | |
| Operations and Maintenance - Continued | | | |
| Support Staff | | | |
| Wages - Support Staff | \$ 80,477 | 80,477 | 97,415 |
| Overtime - Support Staff | 2,500 | 2,500 | 9,221 |
| Stipends | 1,800 | 1,800 | 1,800 |
| Dental Insurance | 1,143 | - | - |
| Life Insurance and STD | 434 | - | - |
| Medical Insurance | 21,216 | - | - |
| IMRF | 9,813 | - | - |
| FICA | 5,155 | - | - |
| Medicare | 1,204 | - | - |
| Training and Schooling | 250 | 250 | - |
| Total Support Staff | 123,992 | 85,027 | 108,436 |
| Sewer Maintenance | | | |
| Wages - Sewer Maintenance | 251,537 | 251,537 | 210,594 |
| Overtime - Sewer Maintenance | 6,000 | 6,000 | 7,861 |
| Premium Overtime | 4,000 | 4,000 | 7,781 |
| Stipends | 6,400 | 6,400 | 5,850 |
| Vehicle Repair and Maintenance | 7,500 | 7,500 | 2,753 |
| Equipment Repair | 9,000 | 9,000 | 6,264 |
| Equipment Purchase | 5,000 | 5,000 | 5,187 |
| Equipment Rental | 250 | 250 | - |
| Department Projects | 400,000 | 400,000 | 1,016 |
| Sewer Main Maintenance | 165,000 | 165,000 | 67,210 |
| Gravel and Sand | 2,000 | 2,000 | 1,628 |
| General Supplies | 8,000 | 8,000 | 6,873 |
| Dental Insurance | 3,492 | 6,041 | 6,041 |
| Life Insurance and STD | 1,158 | 1,737 | 1,812 |
| Medical Insurance | 72,343 | 104,331 | 102,056 |
| IMRF | 31,112 | 47,379 | 48,422 |
| FICA | 16,309 | 24,688 | 20,774 |
| Medicare | 3,815 | 5,835 | 4,858 |
| Training and Schooling | 2,000 | 2,000 | - |
| Chemicals | 5,000 | 5,000 | 3,542 |
| Total Sewer Maintenance | 999,916 | 1,061,698 | 510,522 |
| Total Operations and Maintenance | 2,597,247 | 2,598,113 | 1,956,145 |

VILLAGE OF BRADLEY, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2018**

| | Budget | | Actual |
|--------------------------|------------|-----------|-----------|
| | Original | Final | |
| Depreciation | \$ 369,600 | 369,600 | 322,668 |
| Amortization | - | - | (14,030) |
| Total Operating Expenses | 2,966,847 | 2,967,713 | 2,264,783 |

VILLAGE OF BRADLEY, ILLINOIS

Pension and Other Post-Employment Benefit Trust Funds

**Combining Statement of Fiduciary Net Position
April 30, 2018**

| | Pension Trust | | Other Post-Employment Benefit Trust | |
|--|-------------------|--------------------------|--|------------|
| | Police Pension | Firefighters' Pension | OPEB | Totals |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 614,553 | 313,121 | 2,371,606 | 3,299,280 |
| Investments | | | | |
| U.S. Treasury Obligations | 975,771 | 288,261 | - | 1,264,032 |
| U.S. Agency Obligations | 4,165,062 | 60,314 | - | 4,225,376 |
| Corporate Bonds | 1,169,820 | 201,834 | - | 1,371,654 |
| Municipal Bonds | 713,059 | 158,998 | - | 872,057 |
| Mutual Funds | 9,586,989 | 72,983 | - | 9,659,972 |
| Receivables - Net of Allowance | | | | |
| Accrued Interest | 47,347 | - | - | 47,347 |
| Due from Other Funds | 522,194 | - | - | 522,194 |
| Prepays | 2,386 | - | - | 2,386 |
| Total Assets | 17,797,181 | 1,095,511 | 2,371,606 | 21,264,298 |
| LIABILITIES | | | | |
| Accounts Payable | 17,839 | 1,200 | 13,352 | 32,391 |
| Due to Other Funds | 16,731 | 5,548 | - | 22,279 |
| Total Liabilities | 34,570 | 6,748 | 13,352 | 54,670 |
| NET POSITION | | | | |
| Net Position Restricted for Pensions and Other Post-Employment Benefits | 17,762,611 | 1,088,763 | 2,358,254 | 21,209,628 |

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, 2018**

| | Pension Trust | | Other Post-Employment Benefit Trust | Totals |
|--|-------------------|--------------------------|--|------------|
| | Police Pension | Firefighters' Pension | OPEB | |
| Additions | | | | |
| Contributions - Employer | \$ 1,097,352 | 136,081 | 500,000 | 1,733,433 |
| Contributions - Plan Members | 257,108 | 45,121 | - | 302,229 |
| Total Contributions | 1,354,460 | 181,202 | 500,000 | 2,035,662 |
| Investment Income | | | | |
| Interest Earned | 43,526 | 28,457 | 336 | 72,319 |
| Net Change in Fair Value | 1,150,636 | (16,391) | - | 1,134,245 |
| | 1,194,162 | 12,066 | 336 | 1,206,564 |
| Less Investment Expenses | (42,760) | (4,613) | - | (47,373) |
| Net Investment Income | 1,151,402 | 7,453 | 336 | 1,159,191 |
| Total Additions | 2,505,862 | 188,655 | 500,336 | 3,194,853 |
| Deductions | | | | |
| Administration | 40,515 | 2,140 | - | 42,655 |
| Benefits and Refunds | 1,033,166 | - | 462,601 | 1,495,767 |
| Total Deductions | 1,073,681 | 2,140 | 462,601 | 1,538,422 |
| Changes in Fiduciary Net Position | 1,432,181 | 186,515 | 37,735 | 1,656,431 |
| Net Position Restricted for Pensions and Other Post-Employment Benefits | | | | |
| Beginning | 16,330,430 | 902,248 | 2,320,519 | 19,553,197 |
| Ending | 17,762,611 | 1,088,763 | 2,358,254 | 21,209,628 |

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, 2018

| | Budget | | Actual |
|--------------------------------------|------------------|------------------|-------------------|
| | Original | Final | |
| Additions | | | |
| Contributions - Employer | \$ 1,087,741 | 1,087,741 | 1,097,352 |
| Contributions - Plan Members | 263,730 | 263,730 | 257,108 |
| Total Contributions | <u>1,351,471</u> | <u>1,351,471</u> | <u>1,354,460</u> |
| Investment Income | | | |
| Interest Income | 275,000 | 275,000 | 43,526 |
| Net Change in Fair Value | <u>325,000</u> | <u>325,000</u> | <u>1,150,636</u> |
| | 600,000 | 600,000 | 1,194,162 |
| Less Investment Expenses | <u>(120,000)</u> | <u>(120,000)</u> | <u>(42,760)</u> |
| Net Investment Income | <u>480,000</u> | <u>480,000</u> | <u>1,151,402</u> |
| Total Additions | <u>1,831,471</u> | <u>1,831,471</u> | <u>2,505,862</u> |
| Deductions | | | |
| Administration | 24,100 | 24,100 | 40,515 |
| Benefits and Refunds | <u>1,042,380</u> | <u>1,042,380</u> | <u>1,033,166</u> |
| Total Deductions | <u>1,066,480</u> | <u>1,066,480</u> | <u>1,073,681</u> |
| Change in Fiduciary Net Position | <u>764,991</u> | <u>764,991</u> | 1,432,181 |
| Net Position Restricted for Pensions | | | |
| Beginning | | | <u>16,330,430</u> |
| Ending | | | <u>17,762,611</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, 2018**

| | Budget | | Actual |
|---|----------------|----------------|-------------------------|
| | Original | Final | |
| Additions | | | |
| Contributions - Employer | \$ 136,680 | 136,680 | 136,081 |
| Contributions - Plan Members | 44,146 | 44,146 | 45,121 |
| Total Contributions | 180,826 | 180,826 | 181,202 |
| Investment Income | | | |
| Interest Income | 20,000 | 20,000 | 28,457 |
| Net Change in Fair Value | (17,000) | (17,000) | (16,391) |
| | 3,000 | 3,000 | 12,066 |
| Less Investment Expenses | (6,000) | (6,000) | (4,613) |
| Net Investment Income | (3,000) | (3,000) | 7,453 |
| Total Additions | 177,826 | 177,826 | 188,655 |
| Deductions | | | |
| Administration | 3,195 | 3,195 | 2,140 |
| Benefits and Refunds | - | - | - |
| Total Deductions | 3,195 | 3,195 | 2,140 |
| Change in Fiduciary Net Position | 174,631 | 174,631 | 186,515 |
| Net Position Restricted for Pensions | | | |
| Beginning | | | <u>902,248</u> |
| Ending | | | <u><u>1,088,763</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, 2018**

| | 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 | 2,200 | 2,200 | 336 |
| Net Change in Fair Value | - | - | - |
| | 2,200 | 2,200 | 336 |
| Less Investment Expenses | - | - | - |
| Net Investment Income | 2,200 | 2,200 | 336 |
| Total Additions | 502,200 | 502,200 | 500,336 |
| Deductions | | | |
| Administration | - | - | - |
| Benefits and Refunds | 432,696 | 480,830 | 462,601 |
| Total Deductions | 432,696 | 480,830 | 462,601 |
| Change in Fiduciary Net Position | 69,504 | 21,370 | 37,735 |
| Net Position Restricted for Other Post-Employment Benefits | | | |
| Beginning | | | 2,320,519 |
| Ending | | | 2,358,254 |

SUPPLEMENTAL SCHEDULES

VILLAGE OF BRADLEY, ILLINOIS

Schedule of Long-Term Debt Requirements

Tax Increment Revenue Bonds of 2007

April 30, 2018

| | |
|-------------------------|---------------------------------|
| Date of Issue | August 27, 2007 |
| Date of Maturity | January 1, 2027 |
| Authorized Issue | \$8,000,000 |
| Denomination of Bonds | \$5,000 |
| Interest Rate | 6.10% |
| Interest Dates | July 1 and January 1 |
| Principal Maturity Date | January 1 |
| Payable at | Amalgamated Bank of Chicago, IL |

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year | Requirements | | Totals |
|----------------|------------------|------------------|------------------|
| | Principal | Interest | |
| 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>4,180,000</u> | <u>1,390,800</u> | <u>5,570,800</u> |

VILLAGE OF BRADLEY, ILLINOIS

Schedule of Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2015A
April 30, 2018**

| | |
|-------------------------|---------------------------------|
| 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 | |
| 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>4,010,000</u> | <u>1,150,450</u> | <u>5,160,450</u> |

VILLAGE OF BRADLEY, ILLINOIS

Schedule of Long-Term Debt Requirements

Street Sweeper Capital Lease

April 30, 2018

| | |
|-------------------------|---------------------------------|
| Date of Issue | August 20, 2013 |
| Date of Maturity | August 20, 2019 |
| Authorized Issue | \$159,860 |
| Interest Rate | 2.55% |
| Interest Date | August 20 |
| Principal Maturity Date | August 20 |
| 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> | |
| 2019 | \$ 27,658 | 715 | 28,373 |