

VILLAGE OF LINCOLNWOOD, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2015

VILLAGE OF LINCOLNWOOD, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2015

Prepared by:

Finance Department

Robert J. Merkel
Director of Finance

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Lincolnwood:

- List of Principal Officials
- Organizational Chart
- Transmittal Letter
- Certificate of Achievement for Excellence in Financial Reporting

VILLAGE OF LINCOLNWOOD, ILLINOIS

**List of Principal Officials
April 30, 2015**

LEGISLATIVE

Village Board of Trustees

Gerald C. Turry, Village President

Ronald Cope, Trustee

Nicholas Leftakes, Trustee

Lawrence A. Elster, Trustee

Jesal Patel, Sr. Trustee

Craig Klatzco, Trustee

Renee Sprogis-Marohn, Trustee

Beryl Herman, Village Clerk

APPOINTED OFFICIAL

Charles Greenstein, Village Treasurer

ADMINISTRATIVE

Timothy C. Wiberg, Village Manager

Steven Elrod, Village Attorney

Robert LaMantia, Chief of Police

Michael Hansen, Fire Chief

Timothy M. Clarke, Director of Economic Development

Robert J. Merkel, Director of Finance

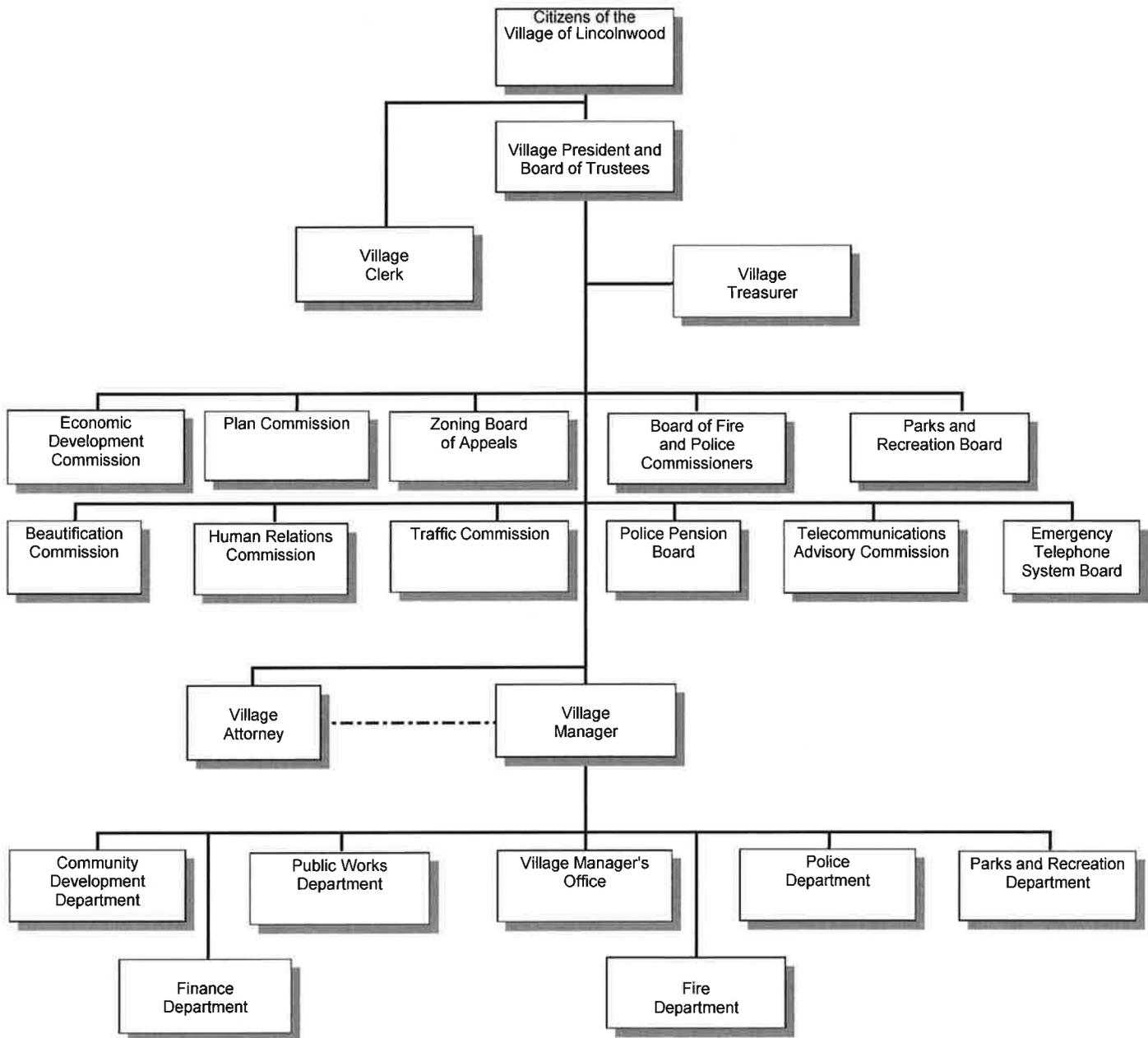
Janice Hincapie, Director of Parks and Recreation

Ashley Engelmann, Director of Public Works



Village of Lincolnwood, Illinois

Organizational Chart
April 30, 2015



VILLAGE PRESIDENT
Gerald C. Turry

VILLAGE CLERK
Beryl Herman

VILLAGE MANAGER
Timothy C. Wiberg



TRUSTEES
Barry Bass
Ronald S. Cope
Lawrence A. Elster
Craig L. Klatzco
Jesal B. Patel, Sr.
Jennifer G. Spino

September 15, 2015

The Honorable Gerald C. Turry, Village President
Members of the Board of Trustees
Village Manager Timothy C. Wiberg, and
Citizens of the Village of Lincolnwood
Village of Lincolnwood, Illinois

The Comprehensive Annual Financial Report (CAFR) of the Village of Lincolnwood, Illinois for the fiscal year ended April 30, 2015 is hereby respectfully submitted. The report consists of management's representations concerning the finances of the Village of Lincolnwood. Local ordinance and State Statute require the Village to issue an annual report on its financial condition and that the financial statements are audited by an independent firm of licensed certified public accountants. This CAFR complies with these requirements. The certified public accounting firm of Lauterbach & Amen, LLP was retained as auditors for fiscal year 2015. They have concluded that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the fiscal year ended April 30, 2015 are fairly presented in conformity with generally accepted accounting principles (GAAP). Their report is presented as the first component of the financial section of this report.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Village. All disclosures to enable the reader to gain an understanding of the Village's financial statements have been included. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed to protect the assets of the government from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village's financial statements in conformity with GAAP. The cost of internal controls should not outweigh their benefits. Therefore, internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements shall be free from material misstatement. The Village has fully implemented Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for state and local governments, including infrastructure reporting.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter is designed to complement the information presented here in conjunction with the additional information that is furnished in the MD&A. The Village's MD&A is located following the independent auditor's report.

VILLAGE OF LINCOLNWOOD PROFILE

The Village of Lincolnwood is a home-rule community as defined by the Illinois State Constitution of 1970 and was incorporated in 1911 as Village of Tessville, Illinois. In 1936, Tessville formally became the Village of Lincolnwood. Lincolnwood is a mature community that is home to approximately 12,600 culturally diverse citizens and located 10 miles northwest of downtown Chicago. The Village provides a complete variety of governmental services. Services include police and fire protection, repairs and maintenance of streets and infrastructure, garbage, yard-waste, and recycling services, property inspections and issuing of permits services, recreational and social services, water and sewer services, and other governmental services. The Village is financially responsible for the Lincolnwood Parks & Recreation Department and therefore has been included as an integral part of the basic financial statements of the Village. The Village operates a municipal water system that provides a reliable source of



TREE CITY USA



potable water purchased from the City of Chicago. The Lincolnwood School District # 74 and the Lincolnwood Library are independent legal entities, are not financially dependent on the Village, and are not included in this financial report.

The Village operates under an elected Village Board form of government with the Village President and the Trustees elected at large serving staggering four-year terms. The Village Clerk is also elected. The Village Treasurer, the Village Manager and the Village Attorney are appointed by the Village Board of Trustees. The Village employs approximately 90 full time, 10 regular part-time, and 180 seasonal summer employees in the parks & recreation and public works departments. The Village's police officers are members of the Illinois Fraternal Order of Police (FOP) Labor Council/Lincolnwood Lodge #23 whose collective bargaining agreement expires April 30, 2017. The Village's 911 emergency communication operators are members of the Illinois Fraternal Order of Police (FOP) Labor Council/Lincolnwood Communication Operators whose collective bargaining agreement expires April 30, 2016. The public works department employees of the Village are members of the Local #714 – Affiliated with the International Brotherhood of Teamsters whose collective bargaining agreement expires April 30, 2018. All other employees of the Village are not represented by any collective bargaining organization. Since 1990 the Village has contracted with Paramedic Services of Illinois (PSI) which provides fire protection and emergency medical services. The current three year contract with PSI will expire on May 1, 2016.

The Village staff prepares an annual operating budget by fund and department and presents the document to the Village Board for adoption. The budget serves as the foundation for the Village's financial planning and provides the operating tool that directs staffs' use of the Village's resources. The Village also adopts an annual appropriations ordinance as mandated by the Illinois Revised Statutes that provides the legal authority and limits for expenditures. Management may exceed budgeted amounts without formal approval of the Board of Trustees provided the amount expended for a budgeted purpose does not exceed the legally adopted appropriation for budgeted item. Budget-to-actual comparisons are presented in the CAFR.

RELEVANT FINANCIAL POLICES

There were no material changes to financial policies during the fiscal year ended April 30, 2015. During the review of the long range financial plan it was discussed that the Village Board would consider available alternate funding for capital improvement projects such as low interest state loans and increasing fund balance reserves to provide resources for capital projects.

SIGNIFICANT ACCOMPLISHMENTS

The Village staff, at the direction of the Village Board, has been involved in the planning and implementation of a number of major projects throughout last year and some will continue into next fiscal year. These projects reflect the Village's commitment to its citizens to ensure they are able to live and work in a desirable community environment. The most significant of these projects follow:

The Village completed the replacement of the streetlights on Pratt Ave. and Crawford Ave. for the third year of a five year program of replacing all the streetlights in the Village.

The Village is installing new water mains and replacing all public sidewalks on Crawford Ave. during the reconstruction of the street over a two year period.

The Village completed construction of the dedicated left-hand turn land at Pratt and Central Avenues. This was a joint project with the City of Chicago and the Village of Skokie.

The Village continued the engineering work on the bike path and overpass to be constructed on the Commonwealth Edison right- of- way.

The Village replaced the equipment at O'Brien Park as a continuing program to systematically update the various parks in the Village.

The Village created the Devon-Lincoln TIF district to assist in the redevelopment of the properties included in the district's boundaries.

The Village retired the General Obligation Refunding Bonds of 2004 during the current year. The Village currently has two General Obligation Refunding Bonds outstanding.

FACTORS AFFECTING FINANCIAL CONDITION

The information as presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment from within which the Village operates.

Local Economy. The Village is influenced by a number of economic factors that directs its economy. The Village is recovering from the recent economic downturn at a slow pace that is also reflected in the State and Country economies. There are a number of economic factors that influence the economy of a specific community and various measures are used to gauge the economic outlook. Probably the four most notable and objective measurements are the level of retail sales, the employment level of the community, income levels in the community and the building activity. In Illinois, sales taxes are allocated based on the point-of-sale, which represents the sales in the community. Local sales tax receipts experienced an increase this year as auto sales helped to fuel the increase. The Village's portion of general sales tax receipts is based on a 1% tax rate. The State and County take the balance of 8% of the applicable sales tax rate. The sales tax receipts represent total retail sales of approximately \$501,923,000 for fiscal year 2014.

Lincolnwood's average unemployment rate has been consistently lower than the State average. Lincolnwood's median family income of \$79,142 as of the 2010 Census is approximately 20% higher than the median income for the State of Illinois. The Village's 2014 equalized assessed valuation (EAV) experienced a minimal increase from 2013.

Building activity increased at a minimal pace in fiscal 2015 as economic growth is continuing at a slow pace. This growth could increase in future years due to the development of property in two of the Village's Tax Increment Financing districts. The Village actively encourages economic development and the TIF redevelopment districts have served as catalysts for continued retail growth.

Long-Term Financial Planning. On a biennial basis the Village Board completes a strategic plan which is included in the annual budget and helps guide the development of this document. The Village is also in the process of reviewing long-range issues and the funding alternatives for major improvements to infrastructure and equipment replacement. The goal of the planning process is to put the Village on firm ground to provide for the planned major upgrades and the continued viability of the infrastructure network.

A tool in managing the long-range planning process of the Village is the Five-Year Capital Improvement Program. This plan outlines the major project improvements and capital expenditures of the Village over the next five years. Over the next five years (2016-2020), it is anticipated that the Village could expend approximately \$47,000,000 in water and sewer, flood control, street, public building, parks and recreation, equipment and other capital improvement projects. In adherence with Village financial policies, staff is constantly seeking public and private grants and other outside sources of revenues to fund these projects. Grants received during the fiscal year ended April 30, 2015 help fund park improvements and street repairs.

Cash Management Policies and Practices. The Village's investment policy seeks to minimize credit and market risks to assure safety of principal while maintaining liquidity at a competitive yield. Investments are transacted under the "prudent person" standard with a safety, liquidity, yield, and legal priority covenant. At April 30, 2015 virtually all of the Village's deposits were insured or collateralized.

Cash which was temporarily idle during the year was invested as permitted by State statute. Short-term cash is placed in the State of Illinois investment pool (Illinois Funds). Cash invested for up to one year is invested in the Illinois Metropolitan Investment Fund (IMET) or at community banks in a secured certificate of deposit (CD). Village management continues to give priority to local financial institutions whenever possible when placing funds

for investment. When placing available funds in CDs the rates are checked to assess which institution is giving the best rate of return at that time. We have seen the rates remain at the same low levels as experienced in the prior year. It is the Village's position that if banks in the community are competitive then investing locally will benefit all citizens and businesses.

Risk Management. The Village is a member of the Intergovernmental Risk Management Association (IRMA) for virtually 100% of its property/casualty insurance needs. IRMA is an organization of local municipalities that administers a product of self-insurance and commercial insurance coverage. IRMA also provides property/casualty and workers' compensation claim/litigation management services, unemployment claim administration, risk management/loss control consulting and training programs, and a risk information system and financial reporting service for its members.

In addition, various control techniques including safety training for certain high-risk personnel (police, fire and public works) and other Village employees are in place to minimize accident related losses.

The Village is a member of a group of seven municipalities that self-insures the medical and dental benefits for all eligible employees. The Village contributes 85% and the employee contributes 15% of the premium to fund the program. Premiums costs have been stable over the last few years. The Village continuously reviews various programs to control these premiums.

Pension and Other Post-employment Benefits. The Village sponsors a single employer defined benefit pension plan for the police officers. The Lincolnwood Police Pension Fund is reviewed each year by the Illinois Department of Insurance and an independent actuary engaged by the Village. The Department of Insurance recommends the annual contribution that the Village must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired pensioners on a timely basis. As a matter of financial policy, the Village fully funds each year's annual required contribution to the plan as determined by the Department of Insurance. The unfunded liability is being systematically funded as part of the required annual contribution as calculated by the Department of Insurance.

The Village also provides pension benefits for the non-public safety employees through the statewide plan managed by the Illinois Municipal Retirement Fund (IMRF). Benefit provisions and funding requirements are established by the Illinois State Statutes. Participating (employees) members are required to contribute 4.5% of their annual salary and the Village is required to contribute the remaining amounts necessary to fund the future pensions. The Village's contribution rate for the calendar year 2014 (fiscal year 2015) was 10.91% of the annual salary. The Village has no obligation in connection with employee benefits offered through this plan beyond its contractual payments to IMRF.

Additional information on the Village's pension arrangements can be reviewed in Note 4 in the financial statements. In accordance with GASB Statement No. 27, "Accounting for Pension by State and Local Governmental Employers," the Village determined that there was a pension obligation of \$106,617 for the Illinois Municipal Retirement fund at April 30, 2015, which is the latest available data.

Further postemployment benefits are offered to retirees to remain in the Village's medical and dental insurance plan at the current group rates. At year end fourteen retirees participated in this plan. Participants pay the entire cost of the premium. The Village incurs no current costs by offering this benefit; however, claims by the covered retirees may affect the Village's overall claim experience and thus affect future premiums. The Village has no post-employment benefit obligation at April 30, 2015.

Additional information on the Village's pension arrangements can be found in Note 4 in the financial statements.

LOCAL INITIATIVES

The Mayor, the Trustees and the staff realize that public service is our mission. To this end the Village has undertaken the following initiatives.

Human Services. The Village provides services that directly affect the personal well-being of our citizens. Under the auspices of human services the Village reaches out to those in need of beneficial intervention. A trained

counseling professional provides a resource for all residents in need of family or individual counseling. Seniors receive support services such as blood pressure screening, change batteries in the smoke detectors, ambulance service to residents, reverse 911 high speed emergency notification system, and a refund of utility taxes to eligible citizens in financial need.

The police department through the emergency communication center provides to all citizens a reverse 911 high speed emergency notification system. In case of an all-out emergency or catastrophe all citizens will be notified by telephone.

The parks & recreation department of the Village facilitates the participation of children, teens, and adults with physical, mental, and emotional disabilities and their families through community recreation agencies. Without these agencies and programs many recreational opportunities would not be available to improve the quality of life for people with disabilities.

These services are provided by the Village free of charge or at a nominal fee to our citizens.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Lincolnwood for its comprehensive annual financial report for the fiscal year ended April 30, 2014. In order to receive this prestigious award, the Village published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

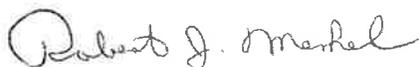
A Certificate of Achievement is valid for a period of one year. We believe that the current comprehensive annual financial report continues to meet the Program's requirements, and we will submit the current report to the GFOA for review to determine the eligibility for a continuing certificate.

ACKNOWLEDGEMENTS

The preparation of the comprehensive annual financial report could not have been accomplished without the efficient and dedicated services of the staff of the Finance Department. I would like to express my appreciation to Joe Mangan, Accountant and all members of the Finance Department who assisted in the preparation of this report.

I would like to also acknowledge the Mayor, the Board of Trustees, and the Village Manager for their leadership and support in planning and conducting the financial affairs of the Village in a responsible and progressive manner.

Respectfully submitted,



Robert J. Merkel
Director of Finance



Government Finance Officers Association

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

Presented to

**Village of Lincolnwood
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2014

Executive Director/CEO

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

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

September 15, 2015

The Honorable Village President
Members of the Board of Trustees
Village of Lincolnwood, 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 Lincolnwood, Illinois, as of and for the year ended April 30, 2015, 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 Lincolnwood, Illinois, as of April 30, 2015, 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 Lincolnwood, Illinois', financial statements as a whole. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, supplemental schedules, and statistical section 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 and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.


LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2015

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

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Village's financial statements.

Financial Highlights

- The assets of the Village exceeded its liabilities/deferred inflows at the close of the most recent fiscal year by \$59,539,790 (*net position*). Of this amount, \$12,249,783 (*unrestricted net position*) may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position increased by \$1,520,772. This reflects the excess of current revenues over current expenses, offset by the systematic and planned consumption of the Village's capital assets that is quantified as depreciation expense. Total depreciation expense for the year was \$2,463,685.
- As of the close of the current fiscal year, the Village's governmental funds reported combined fund balances of \$23,323,700, an increase of \$381,774 in comparison with the prior year. Of this amount, \$10,533,581 is available for spending at the Village's discretion (unassigned fund balance). The increase during the current year was primarily due to borrowings to finance street improvements.
- At the end of the current fiscal year, the unassigned fund balance of the General Corporate Fund was \$10,639,883, or 55%, of total General Fund expenditures during the current year.
- The Village's total debt decreased by \$224,157 (2%) during the current fiscal year. This was mainly due to the Village obtaining a \$2,511,212 interest free loan to finance street and water main replacements offset by the Village paying down scheduled principal repayments totaling \$2,287,609.

USING THE FINANCIAL SECTION OF THE COMPREHENSIVE ANNUAL REPORT

The principal focus of local government financial statements in the past has been by fund type data. This method of presentation has been modified to present two differing views of the Village's financial statements. The new financial statements' focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhance the Village's accountability.

VILLAGE OF LINCOLNWOOD, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)

Government-Wide Financial Statements

The government-wide financial statements (see pages 3-6) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Position (see pages 3-4) is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see pages 5-6) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including public safety (police and fire), public works, engineering, culture-recreation and administration. Property taxes, shared state sales and income, and local utility taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water and Sewer), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types.

The Governmental funds (see pages 7-12) are presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The Proprietary fund (Water and Sewer Fund) accounts for services that are generally fully supported by user fees (i.e. charges to customers). The Proprietary fund is presented on a total economic resources basis. Proprietary fund statements, like government-wide financial statements, provide both short- and long-term financial information.

While the Business-type Activities column on the Business-type Fund Financial Statements (see pages 13-16) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 9 and 12). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide statements).

The Fund Financial Statements allow the Village to address its Fiduciary fund (Police Pension Trust, see pages 17-18). While these funds represent trust responsibilities of the Village, these assets are restricted in purpose and do not represent discretionary assets of the general government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

Capital Assets

The new statement requires that these assets be valued and reported within the governmental column of the government-wide statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful life. If a road project is considered maintenance - a recurring cost that does not extend the road's original useful life or expand its capacity - the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

The following table reflects the condensed Statement of Net Position:

**Table 1: Statement of Net Position
April 30, 2015 and 2014
(in millions)**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and Other Assets	\$ 29.1	29.5	2.5	2.7	31.6	30.8
Capital Assets	32.1	32.0	11.8	10.9	43.9	43.9
Total Assets	61.2	61.5	14.3	13.6	75.5	75.1
Current Liabilities	4.0	5.6	0.8	0.6	4.8	6.2
Long-Term Liabilities	3.4	3.8	5.0	4.4	8.4	8.2
Deferred Inflows	2.8	2.7			2.8	2.7
Total Liabilities/ Deferred Inflows	10.2	12.1	5.8	5.0	16.0	17.1
Net Investment in Capital Assets	28.4	27.6	6.3	6.3	34.7	33.9
Restricted	12.6	12.4	-	-	12.6	12.4
Unrestricted	10.0	9.4	2.2	2.3	12.2	11.7
Total Net Position	51.0	49.4	8.5	8.6	59.5	58.0

For more detailed information see the Statement of Net Position (pages 3-4).

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

The Village's unrestricted net position totaled 21% of its net position at April 30, 2015. Approximately 21% reflects net position restricted for economic development, public safety and highway and street purposes. The remaining 58% reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, and construction in progress), less any debt used to acquire those assets. The Village uses these capital assets to provide service to citizens; consequently, these assets are not available for spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities - which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital - which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital - which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt, which will not change the invested in capital assets, net of debt.

Spending of Non-borrowed Current Assets on New Capital - which will (a) reduce current assets and increase capital assets, and (b) will reduce unrestricted net position and increase invested in capital assets, net of debt.

Principal Payment on Debt - which will (a) reduce current assets and reduce long-term debt, and (b) reduce unrestricted net position and increase investment in capital assets, net of debt.

Reduction of Capital Assets through Depreciation - which will reduce capital assets and investment in capital assets, net of debt.

Current Year Impacts

The Village's \$1.5 million increase in combined net position (which is the Village's bottom line) was the result of the governmental activities net position increasing by \$1.6 million and the business-type activities net position having a decrease of \$103,290. The governmental activities accounted for 100% growth in the assets of the Village.

The Village has restricted net position of \$12.6 million which are used primarily for economic development, public safety and highway and street improvements. The remaining balance of unrestricted net position, \$12.2 million, may be used to meet the Village's ongoing obligations to citizens and creditors. Certain resources (e.g. Special Revenue Funds and Debt Service Funds), are generally used only for the purpose restricted by the specific revenue source.

At the end of the current fiscal year, the Village is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

Changes in Net Position

The following table shows the revenue and expenses of the governmental and business-type activities for the current and prior year.

**Table 2: Statement of Changes in Net Position
Fiscal Years Ended April 30, 2015 and 2014
(in millions)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2015	2014	2015	2014	2015	2014
REVENUES						
Program Revenues:						
Charges for Services	\$ 3.2	3.4	4.2	4.2	7.4	7.6
Capital Grants and Contributions	0.4	0.5	-	-	0.4	0.5
General Revenues:						
Property Taxes	6.2	6.9	-	-	6.2	6.9
Sales, income, and use taxes	9.0	8.9	-	-	9.0	8.9
Other Taxes	3.0	3.1	-	-	3.0	3.1
Other	0.6	0.2	-	-	0.6	0.2
Total Revenues	<u>22.4</u>	<u>23.0</u>	<u>4.2</u>	<u>4.2</u>	<u>26.6</u>	<u>27.2</u>
EXPENSES						
General Government	3.7	4.8	-	-	3.7	4.8
Public Safety	9.6	9.4	-	-	9.6	9.4
Water and Sewer	-	-	4.1	4.0	4.1	4.0
Parks & Recreation	2.7	2.6	-	-	2.7	2.6
Interest Expense	0.1	0.1	-	-	0.1	0.1
Highways and Streets	2.6	1.8	-	-	2.6	1.8
Economic Development	1.3	1.2	-	-	1.3	1.2
Sanitation	1.0	1.0	-	-	1.0	1.0
Total Expenses	<u>21.0</u>	<u>20.9</u>	<u>4.1</u>	<u>4.0</u>	<u>25.1</u>	<u>24.9</u>
Change in Net Position before Transfers	1.4	2.1	0.1	0.2	1.5	2.3
Transfers	0.2	0.2	(0.2)	(0.2)	-	-
Change in Net Position	1.6	2.3	(0.1)	-	1.5	2.3
Net Position - Beginning	<u>49.4</u>	<u>47.1</u>	<u>8.6</u>	<u>8.6</u>	<u>58.0</u>	<u>55.7</u>
Net Position - Ending	<u>51.0</u>	<u>49.4</u>	<u>8.5</u>	<u>8.6</u>	<u>59.5</u>	<u>58.0</u>

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

There are eight basic impacts on revenues and expenses as reflected below.

Normal Impacts

Revenues:

Economic Condition - which can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits for building permits, elective user fees, and volumes of consumption.

Increase/Decrease in Village Approved Rates - While certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fees, building fees, etc.)

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) such as state-shared revenue, etc., may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment Income –The Village’s investment portfolio consists mainly of certificates of deposit and government securities. Market conditions may cause interest rates and investment income to fluctuate.

Expenses:

Introduction of New Programs - Within the functional expense categories (Public Safety, Public Works, General Government, etc.), individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel - Changes in service demand may cause the Village to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent about 40% of the Village's operating costs.

Salary Increases (annual adjustments/merit) - The ability to attract and retain (employees) resources requires the Village to strive to approach a competitive salary structure in the marketplace.

Inflation - While overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and repair parts. Some functions may experience commodity specific increases.

Current Year Impacts

Governmental Activities

Revenue:

For the fiscal year ended April 30, 2015, revenues from the governmental activities totaled \$22.4 million. Sales tax revenue is the Village's largest revenue source, totaling \$7.5 million with property tax revenues second at \$6.2 million. Sales tax receipts had a minimal increase when compared to Fiscal 2014. The Village is still experiencing a slow recovery in consumer spending as seen in both our State and National economies. Property tax revenues and sales tax revenues combined with the local utility tax and shared state income tax and other tax revenues total \$18.2 million and represents 81% of the total Governmental Funds revenue. Investment income experienced a small increase due to minimal rate increases the Village earned on the certificates of deposit and other investments.

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

Current Year Impacts

Governmental Activities

Expenses:

For the fiscal year ended April 30, 2015, expenses for governmental activities totaled \$21.0 million.

The Village invested in capital assets during Fiscal 2015. This investment totaled \$1.9 million less the current year depreciation of \$1.8 million for a net increase in capital assets of \$.1 million.

It is important that the Village provide competitive compensation levels for our employees. Fiscal 2015 expenses included funding an average 2% increase for Village personnel along with minimal increases in medical benefits. Spending on various programs and capital assets was done within the constraints of the availability of revenue received.

Business-type Activities

Revenue:

For the fiscal year ended April 30, 2015, revenues from the business-type activities totaled \$4.2 million. The major revenue source is charges for services to operate the Water and Sewer Fund. The water rate charged to residents and businesses within the Village increased in Fiscal 2015 by 15%. The increase was needed to offset the 15% increase by City of Chicago, the Village's supplier of water.

Expenses:

For the fiscal year ended April 30, 2015, expenses for business-type activities totaled \$4.3 million, including depreciation and amortization of \$.7 million. Included therein was an operating transfer to the General Fund of \$.2 million for the reimbursement of administrative expenses.

The Water and Sewer Fund follows the same strict spending guidelines imposed on the Governmental Funds.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At April 30, 2015, the governmental funds (as presented on the income statement on page 11) reported a combined fund balance of \$23.3 million.

General Fund Budgetary Highlights

The 2015 fiscal year budget, as originally approved by the Village Board, was not amended during the current year. Below is a table that reflects the original and final budget and the actual for the revenues and expenditures for the General Fund.

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

**Table 3: General Fund Budgetary Highlights
(in millions)**

	Original/ Final Budget	Actual
Revenues		
Taxes	\$ 13.5	13.3
Intergovernmental	2.1	2.2
Other	4.1	3.8
Total	<u>19.7</u>	<u>19.3</u>
Expenditures	<u>19.5</u>	<u>19.3</u>
Excess of Revenues over Expenditures	<u>0.2</u>	<u>0.0</u>
Other Financing Sources		
Transfer In	0.3	0.3
Transfer Out	(0.5)	(0.2)
	<u>(0.2)</u>	<u>0.1</u>
Change in Fund Balance	<u>(0.0)</u>	<u>0.1</u>

The Fiscal 2015 General Fund approved budget was balanced with no change to the fund balance. The actual results were very close to the approved budget. The General Fund experienced a minimal increase of \$141,281. This was mainly due to a donation of \$100,000 received during the current fiscal that was anticipated to be received in the Fiscal 2016. Total revenues were \$.4 million (2%) less than the original budget amount, and actual expenditures were \$.2 million less than the budget amount. Property taxes were \$.3 million less than budget. State sales and home rule sales taxes were \$42,868 more than budgeted while state income tax revenues were also more than budget by \$91,234. This revenue is received from the state of Illinois based on a per capita basis. The expenditure budget variance was in various departments which reported actual expenditures of \$.2 million (1%) under budget. Transfers out to other funds were \$.3 under budget as expenses in a capital project fund were less than anticipated.

Other Major Funds Highlights

The Village's major Tax Increment Financing (TIF) Fund experienced a small increase of \$145,195 in fund balance for fiscal year ended April 30, 2015. The tax increment revenue received of \$676,249 was mainly used to pay debt service costs of \$312,900 and \$236,666 of operating expenditures.

The Motor Fuel Tax Fund had a \$324,099 increase in fund balance. The Village received a local distributive share of \$484,548 million from the State of Illinois. The primary expenditures were made for maintenance of streetlights in the Village and street improvements.

The Debt Service Fund had no increase in fund balance. Local taxes totaling \$1.2 million were allocated to pay the current year's general bond obligations. Other funds transferred in \$318,111 to pay loans for capital asset purchases and street improvements.

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

Capital Assets

At the end of Fiscal Year 2015, the Village had a combined total of capital assets of \$43.9 million invested in a broad range of capital assets including land, streets, sidewalks, alleys, buildings, vehicles, water mains, storm sewers and sanitary sewer lines. (See Table 4 below).

**Table 4: Total Capital Assets at Year End
Net of Depreciation
(in millions)**

	Governmental Activities	Business-type Activities	Total
Land	\$ 6.3	0.1	6.4
Buildings	4.4	0.4	4.8
Construction In Progress	1.0	1.5	2.5
Improvements Other Than Buildings	5.4	-	5.4
Equipment	0.4	0.6	1.0
Vehicle	1.9	-	1.9
Waterworks System Infrastructure	12.7	9.2	9.2
	12.7	-	12.7
	<u>\$ 32.1</u>	<u>11.8</u>	<u>43.9</u>

The following reconciliation summarizes the changes in Capital Assets which are presented in detail in Note 3.

**Table 5: Change in Capital Assets
(in millions)**

	Governmental Activities	Business-type Activities	Total
Beginning Balance	\$ 32.0	10.9	42.9
Additions:			
Depreciable	1.9	1.5	3.4
Depreciation	(1.8)	(0.6)	(2.4)
Ending Balance	<u>\$ 32.1</u>	<u>11.8</u>	<u>43.9</u>

Debt Outstanding

The Village of Lincolnwood had total long-term debt and loans payable of \$9.24 million as of April 30, 2015. Long-term debt is comprised of general obligation debt, compensated absences to employees, pension and postemployment benefit obligations and loans payable. During the year the Village received a \$2.5 million five year interest free loan to finance water main, streetlight, and sidewalk replacements for a major road reconstruction project. The Village also made payments totaling \$2.29 million of general obligation debt and loans payable while compensated absences decreased by \$150,994. In addition, the net pension obligation decreased \$266,158.

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

The Village has a legal debt limitation not to exceed 8.625% of the total equalized assessed valuation of the taxable property with the Village boundaries. This means that the total of bonds, notes, warrants or any other type of general obligation issued or outstanding will not be greater than 8.625%. The following types of obligations are not considered in determining the debt limitations: certain revenue bonds, special assessment bonds, special service area bonds, and alternate revenue bonds.

At April 30, 2015, the Village had \$2,285,000 of general obligation bonds outstanding. Under current state statute, the Village's general obligation bonded debt issuances are subject to a legal limitation based on \$576,462,779 of total assessed value of real personal property. As of April 30, 2015, the Village's general obligation bonded debt, applicable to the debt limit of \$2,285,000, was well below the legal limit of \$49,719,915.

As presented above, the Village is well within the existing debt levels and will continue to be so in the future.

Additional information on the Village's long-term bonded debt can be found in the Note 3 to the basic financial statements.

Economic Factors and Next Year's Budget

The Village continues to provide quality government services funded by a tax base that is basically residential. The local and national economies are still experiencing slow economic growth. The next few years will still continue to be challenging as the Village continues to balance expenditures with the slow growth in revenues while continuing to maintain the current services to our residents and businesses. The Village property tax, sales tax, local utility taxes and the Village's share of the state income tax make a majority of the portion of General Fund revenues. Most of these major revenue sources experienced increases from the prior year. We still expect revenues to remain in a slow growth pattern in the upcoming years as the global economy is still in a slow growth mode and the current State budget impasse could affect certain Village revenue sources.

The Village is also continuing to look for economic development to generate additional sales and real estate tax revenues. There are various developments in the plans to begin in Fiscal 2016 for various sites in the Village's TIF districts.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Robert J. Merkel, Finance Director, Village of Lincolnwood, 6900 N. Lincoln Ave. Lincolnwood, IL 60712.

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 Fund

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 LINCOLNWOOD, ILLINOIS

Statement of Net Position
April 30, 2015

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Statement of Net Position
April 30, 2015**

	Governmental Activities	Business- Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 22,758,543	1,823,842	24,582,385
Receivables - Net of Allowances	5,811,343	667,939	6,479,282
Due from Other Governments	178,199	-	178,199
Prepays/Inventories	22,887	41,860	64,747
Total Current Assets	28,770,972	2,533,641	31,304,613
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	7,287,005	1,605,505	8,892,510
Depreciable Capital Assets	48,790,539	19,765,109	68,555,648
Accumulated Depreciation	(23,976,441)	(9,582,218)	(33,558,659)
	<u>32,101,103</u>	<u>11,788,396</u>	<u>43,889,499</u>
Other Assets			
Net Pension Asset	172,398	-	172,398
Long-Term Notes Receivable	120,000	-	120,000
Total Other Assets	292,398	-	292,398
Total Noncurrent Assets	32,393,501	11,788,396	44,181,897
Total Assets	61,164,473	14,322,037	75,486,510

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

	Governmental Activities	Business- Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 1,398,709	173,595	1,572,304
Accrued Payroll	153,846	12,179	166,025
Deposits Payable	50,913	-	50,913
Accrued Interest	32,446	-	32,446
Other Payables	1,209,337	-	1,209,337
Current Portion of Long-Term Debt			
Compensated Absences Payable	150,881	12,649	163,530
Loans Payable	301,189	575,647	876,836
General Obligation Bonds Payable	745,000	-	745,000
Total Current Liabilities	4,042,321	774,070	4,816,391
Noncurrent Liabilities			
Compensated Absences Payable	603,525	50,594	654,119
Net Pension Obligation	106,617	-	106,617
Loans Payable	1,110,523	4,964,602	6,075,125
General Obligation Bonds Payable	1,540,000	-	1,540,000
Total Noncurrent Liabilities	3,360,665	5,015,196	8,375,861
Total Liabilities	7,402,986	5,789,266	13,192,252
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	2,754,468	-	2,754,468
Total Liabilities and Deferred Inflows of Resources	10,157,454	5,789,266	15,946,720
NET POSITION			
Net Investment in Capital Assets	28,404,391	6,248,147	34,652,538
Restricted - Economic Development	7,384,916	-	7,384,916
Restricted - Street and Street Light Maintenance and Replacement	3,673,501	-	3,673,501
Restricted - Transportation Improvement	1,573,316	-	1,573,316
Restricted - Police Dispatch	2,149	-	2,149
Restricted - Capital Projects	3,587	-	3,587
Unrestricted	9,965,159	2,284,624	12,249,783
Total Net Position	51,007,019	8,532,771	59,539,790

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Statement of Activities
For the Fiscal Year Ended April 30, 2015

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Primary Government				
Governmental Activities				
General Government	\$ 3,665,159	337,017	176,351	-
Public Safety	9,588,612	1,498,731	29,222	-
Highways and Streets	2,658,111	-	-	182,199
Sanitation	1,001,538	-	-	-
Economic Development	1,314,624	-	-	-
Culture and Recreation	2,704,338	1,399,483	-	-
Interest Expense	87,897	-	-	-
Total Governmental Activities	21,020,279	3,235,231	205,573	182,199
Business-Type Activities				
Water and Sewer	4,062,562	4,156,613	-	-
Total Primary Government	25,082,841	7,391,844	205,573	182,199

General Revenues
Taxes
Property Taxes
Food and Beverage Taxes
Utility Taxes
Other Taxes
Intergovernmental - Unrestricted
Sales Taxes
Income Taxes
Replacement Taxes
Use Taxes
Motor Fuel Taxes
Investment Income
Miscellaneous
Internal Activity - Transfers
Change in Net Position
Net Position - Beginning
Net Position - Ending

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

Net (Expenses)/Revenues		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
(3,151,791)	-	(3,151,791)
(8,060,659)	-	(8,060,659)
(2,475,912)	-	(2,475,912)
(1,001,538)	-	(1,001,538)
(1,314,624)	-	(1,314,624)
(1,304,855)	-	(1,304,855)
(87,897)	-	(87,897)
(17,397,276)	-	(17,397,276)
-	94,051	94,051
(17,397,276)	94,051	(17,303,225)
6,227,314	-	6,227,314
479,566	-	479,566
1,482,244	-	1,482,244
442,304	-	442,304
7,504,348	-	7,504,348
1,291,234	-	1,291,234
157,314	-	157,314
250,163	-	250,163
415,887	-	415,887
186,750	2,659	189,409
384,214	-	384,214
200,000	(200,000)	-
19,021,338	(197,341)	18,823,997
1,624,062	(103,290)	1,520,772
49,382,957	8,636,061	58,019,018
51,007,019	8,532,771	59,539,790

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2015

	<u>General</u>
ASSETS	
Cash and Investments	\$ 9,984,715
Receivables	
Property Taxes	2,783,252
Other Taxes	2,469,263
Accounts	476,619
Accrued Interest	-
Due from Other Governments	-
Due from Other Funds	176,793
Long-Term Notes Receivable	120,000
Prepays	<u>22,887</u>
Total Assets	<u>16,033,529</u>
LIABILITIES	
Accounts Payable	1,062,606
Accrued Payroll	151,372
Deposits Payable	50,913
Due to Other Funds	22,063
Other Payables	<u>1,209,337</u>
Total Liabilities	2,496,291
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	<u>2,754,468</u>
Total Liabilities and Deferred Inflows of Resources	<u>5,250,759</u>
FUND BALANCES	
Nonspendable	142,887
Restricted	-
Unassigned	<u>10,639,883</u>
Total Fund Balances	<u>10,782,770</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>16,033,529</u>

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

Special Revenue				
Northeast Industrial District Tax Increment Financing	Motor Fuel Tax	Debt Service	Nonmajor	Totals
7,138,490	3,594,266	9,762	2,031,310	22,758,543
-	-	-	-	2,783,252
-	-	-	-	2,469,263
-	29,282	-	51,336	557,237
1,173	-	-	418	1,591
-	64,661	-	113,538	178,199
-	-	-	-	176,793
-	-	-	-	120,000
-	-	-	-	22,887
<u>7,139,663</u>	<u>3,688,209</u>	<u>9,762</u>	<u>2,196,602</u>	<u>29,067,765</u>
16,588	14,708	-	282,744	1,376,646
-	-	-	2,474	153,846
-	-	-	-	50,913
-	-	-	176,793	198,856
-	-	-	-	1,209,337
<u>16,588</u>	<u>14,708</u>	<u>-</u>	<u>462,011</u>	<u>2,989,598</u>
-	-	-	-	2,754,468
<u>16,588</u>	<u>14,708</u>	<u>-</u>	<u>462,011</u>	<u>5,744,066</u>
-	-	-	-	142,887
7,123,075	3,673,501	9,762	1,840,893	12,647,231
-	-	-	(106,302)	10,533,581
<u>7,123,075</u>	<u>3,673,501</u>	<u>9,762</u>	<u>1,734,591</u>	<u>23,323,699</u>
<u>7,139,663</u>	<u>3,688,209</u>	<u>9,762</u>	<u>2,196,602</u>	<u>29,067,765</u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Reconciliation of Total Governmental Fund Balance to the
Statement of Net Position - Governmental Activities**

April 30, 2015

Total Governmental Fund Balances **\$ 23,323,699**

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. 32,101,103

A net pension asset is not considered to represent a financial resource and
therefore is not reported in the funds. 65,781

Long-term liabilities are not due and payable in the current
period and therefore are not reported in the funds.

Compensated Absences Payable	(754,406)
Loan Payable	(1,411,712)
General Obligation Bonds Payable	(2,285,000)
Accrued Interest Payable	<u>(32,446)</u>

Net Position of Governmental Activities **51,007,019**

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2015**

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2015

	<u>General</u>
Revenues	
Taxes	\$ 9,111,985
Charges for Services	1,903,730
Licenses and Permits	1,033,923
Intergovernmental	6,378,805
Fines and Forfeits	297,578
Investment Income	160,915
Miscellaneous	372,967
Total Revenues	<u>19,259,903</u>
Expenditures	
Current	
General Government	3,208,150
Public Safety	9,518,972
Highways and Streets	1,226,648
Sanitation	1,001,538
Economic Development	1,314,624
Culture and Recreation	2,194,920
Capital Outlay	772,429
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>19,237,281</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>22,622</u>
Other Financing Sources (Uses)	
Debt Issuance	-
Transfers In	346,247
Transfers Out	<u>(227,588)</u>
	<u>118,659</u>
Net Change in Fund Balances	141,281
Fund Balances - Beginning	<u>10,641,489</u>
Fund Balances - Ending	<u><u>10,782,770</u></u>

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

Special Revenue				
Northeast Industrial District Tax Increment Financing	Motor Fuel Tax	Debt Service	Nonmajor	Totals
676,249	-	1,190,480	506,190	11,484,904
-	-	-	-	1,903,730
-	-	-	-	1,033,923
-	484,548	-	289,889	7,153,242
-	-	-	-	297,578
18,512	894	-	6,429	186,750
-	-	-	11,247	384,214
694,761	485,442	1,190,480	813,755	22,444,341
29,440	-	-	484,410	3,722,000
-	-	-	-	9,518,972
-	188,704	-	1,258,646	2,673,998
-	-	-	-	1,001,538
-	-	-	-	1,314,624
-	-	-	-	2,194,920
77,226	-	-	167,290	1,016,945
288,750	-	1,429,924	-	1,718,674
24,150	-	78,667	-	102,817
419,566	188,704	1,508,591	1,910,346	23,264,488
275,195	296,738	(318,111)	(1,096,591)	(820,147)
-	34,201	-	967,720	1,001,921
-	-	318,111	104,358	768,716
(130,000)	(6,840)	-	(204,288)	(568,716)
(130,000)	27,361	318,111	867,790	1,201,921
145,195	324,099	-	(228,801)	381,774
6,977,880	3,349,402	9,762	1,963,392	22,941,925
7,123,075	3,673,501	9,762	1,734,591	23,323,699

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

For the Fiscal Year Ended April 30, 2015

Net Change in Fund Balances - Total Governmental Funds	\$ 381,774
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Amounts reported for governmental activities in the Statement of Activities
are different because:

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	1,875,707
Depreciation Expense	(1,807,948)

The net effect of various transactions involving capital assets
is to decrease net position.

Disposals - Cost	(192,144)
Disposals - Accumulated Depreciation	185,537

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

Deductions to Net Pension Obligation Payable	266,158
Deductions to Net Other Post-Employment Benefit Obligation Payable	30,608
Deductions to Compensated Absences Payable	149,697
Issuance of Debt	(1,001,921)
Retirement of Debt	1,718,674

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.

<u>17,920</u>

Changes in Net Position of Governmental Activities

<u><u>1,624,062</u></u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Statement of Net Position - Proprietary Fund (Business-Type Activities)
April 30, 2015**

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

Statement of Net Position - Proprietary Fund (Business-Type Activities)
April 30, 2015

	<u>Water and Sewer</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 1,823,842
Receivables - Net of Allowances	
Accounts	667,288
Accrued Interest	651
Inventories	<u>41,860</u>
Total Current Assets	<u>2,533,641</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	1,605,505
Depreciable Capital Assets	19,765,109
Accumulated Depreciation	<u>(9,582,218)</u>
Total Noncurrent Assets	<u>11,788,396</u>
Total Assets	<u>14,322,037</u>

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

	<u>Water and Sewer</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 173,595
Accrued Payroll	12,179
Compensated Absences Payable	12,649
Loans Payable	<u>575,647</u>
Total Current Liabilities	<u>774,070</u>
Noncurrent Liabilities	
Compensated Absences Payable	50,594
Loans Payable	<u>4,964,602</u>
Total Noncurrent Liabilities	<u>5,015,196</u>
Total Liabilities	<u>5,789,266</u>
NET POSITION	
Net Investment in Capital Assets	6,248,147
Unrestricted	<u>2,284,624</u>
Total Net Position	<u>8,532,771</u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Fund (Business-Type Activities)
For the Fiscal Year Ended April 30, 2015

	<u>Water and Sewer</u>
Operating Revenues	
Charges for Services	\$ 4,103,805
Fines and Forfeitures	<u>52,808</u>
Total Operating Revenues	<u>4,156,613</u>
Operating Expenses	
Cost of Sales and Services	3,293,485
Depreciation	<u>655,737</u>
Total Operating Expenses	<u>3,949,222</u>
Operating Income	<u>207,391</u>
Nonoperating Revenues (Expenses)	
Interest Income	2,659
Interest and Fiscal Charges	<u>(113,340)</u>
	<u>(110,681)</u>
Income Before Transfers	96,710
Transfers Out	<u>(200,000)</u>
Change in Net Position	(103,290)
Net Position - Beginning	<u>8,636,061</u>
Net Position - Ending	<u><u>8,532,771</u></u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Statement of Cash Flows - Proprietary Fund (Business Type Activities)
For the Fiscal Year Ended April 30, 2015

	<u>Water and Sewer</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 4,136,677
Payments to Employees	(558,369)
Payments to Suppliers	<u>(2,882,822)</u>
	<u>695,486</u>
Cash Flows from Noncapital Financing Activities	
Transfers Out	<u>(200,000)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(35,937)
Interest and Fiscal Charges	(113,340)
Payment of Bond Principal	<u>(568,935)</u>
	<u>(718,212)</u>
Cash Flows from Investing Activities	
Interest Received	<u>2,659</u>
Net Change in Cash and Cash Equivalents	(220,067)
Cash and Cash Equivalents - Beginning of Year	<u>2,043,909</u>
Cash and Cash Equivalents - End of Year	<u><u>1,823,842</u></u>
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income (Loss)	<u>207,391</u>
Adjustments to Reconcile Operating	
Income to Net Income to Net Cash	
Provided by (Used In) Operating Activities:	
Depreciation and Amortization Expense	655,737
(Increase) Decrease in Current Assets	(19,936)
Increase (Decrease) in Current Liabilities	<u>(147,706)</u>
Net Cash Provided by Operating Activities	<u><u>695,486</u></u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Statement of Net Position - Pension Trust Fund
April 30, 2015**

	<u>Police Pension</u>
ASSETS	
Cash and Cash Equivalents	\$ 622,811
Investments	
U.S. Government and Agency Obligations	4,777,878
Corporate Bonds	4,252,407
Money Market	199,282
Equity Mutual Funds	9,002,079
Accrued Interest	69,417
Due from Other Funds	<u>22,063</u>
NET POSITION	
Held in Trust for Pension Benefits	<u><u>18,945,937</u></u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Statement of Changes in Net Position - Pension Trust Fund
For the Fiscal Year Ended April 30, 2015

	<u>Police Pension</u>
Additions	
Contributions - Employer	\$ 1,402,000
Contributions - Plan Members	327,215
Total Contributions	<u>1,729,215</u>
Investment Income	
Interest Earned	446,739
Net Change in Fair Value	585,546
	<u>1,032,285</u>
Less Investment Expenses	(57,155)
Net Investment Income	<u>975,130</u>
Total Additions	<u>2,704,345</u>
Deductions	
Administration	13,796
Benefits and Refunds	1,964,302
Total Deductions	<u>1,978,098</u>
Change in Net Position	726,247
Net Position - Beginning	<u>18,219,690</u>
Net Position - Ending	<u>18,945,937</u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Lincolnwood (Village), Illinois, is a municipal corporation, organized with powers and authorities as established in the Illinois Municipal code (Chapter 65 of the Illinois Compiled Statutes), as is governed by an elected Village President and six member Board of Trustees.

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

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Lincolnwood
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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 President, 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 pension trust fund.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2015

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 police, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's water and 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, public safety, public works, 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 LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2015

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. Nonmajor funds by category are summarized into a single column. 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 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 LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – 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 Northeast Industrial District Tax Increment Financing Fund and the Motor Tax Fuel Fund. The Northeast Industrial District Tax Increment Financing Fund is used to account for resources (restricted real estate taxes) received and expenditures made to promote the objectives of the TIF District. The Motor Tax Fuel Fund is used to account for resources (restricted motor fuel taxes) to maintain traffic signal lighting in the Village and for services performed by the Village for upkeep of IDOT street within the Village limits. The Village maintains five nonmajor special revenue funds.

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

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 four nonmajor capital projects funds.

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 Village maintains one major enterprise fund, the Water and Sewer Fund, which is used to account for resources to maintain the Village's water distribution system and combined storm/sanitary sewer system.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Governmental Funds – Continued

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity 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 for pension benefit payments. The Police Pension Fund is used to account for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan. Financing is provided by employee contributions, the Village's contribution and investment income.

Since by definition the assets of the Village's fiduciary fund are being held for the benefit of a third party (other pension participants) and cannot be used to address activities or obligations of the Village, this fund is 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.

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

All proprietary and pension trust funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

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 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-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, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

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

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, 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 reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Prepays/Inventories

Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepays/inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepays in both the government-wide and fund financial statements.

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.

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, franchise taxes, and grants. Business-type activities report waterworks and sewerage charges as their major receivables.

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market 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:

Parks and Improvements	10 - 25 Years
Buildings	35 Years
Equipment and Furniture	5 -30 Years
Vehicles and Heavy Equipment	5 -30 Years
Streets, Sidewalks and Alleys	30 Years
Waterworks System	30 Years

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. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Compensated Absences – Continued

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.

Net Position

In the government-wide financial statements, fund 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 LINCOLNWOOD, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

All departments of the Village submit requests for appropriation to the Village Manager 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 appropriations for the next fiscal year. Annual appropriated budgets are adopted the for general, special revenue, debt service, capital projects, enterprise and pension trust funds.

Budgets are adopted on a basis consistent with generally accepted accounting principles except of the Water and Sewer Fund. The Water and Sewer Fund is adopted on a modified basis in that depreciation is not budgeted and capital outlay and debt principal retirements, if any, are budgeted.

The proposed budget is presented to the governing body for review. The governing body hold public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. The finance director is authorized to transfer budgeted amounts between departments within any fund; however, the governing body must approve any revisions that alter the total expenditures of any fund.

The budget may be amended by the governing body and was not amended during the year.

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:

<u>Fund</u>	<u>Excess</u>
Debt Service	\$ 8,752
Transportation Improvement	26,850

DEFICIT FUND EQUITY

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

<u>Fund</u>	<u>Deficit</u>
Lincoln/Touhy Tax Increment Financing	\$ 63,016
Devon/Lincoln Tax Increment Financing	43,285

The deficit in the Lincoln/Touhy Tax Increment Financing Fund and the Devon/Lincoln Tax Increment Financing Fund will be retired when the Districts start to receive the tax increment from the increase in the assessed valuation of the TIF Districts.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2015

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 except the pension trust fund. 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. The deposits and investments of the pension trust funds are held separately from those of other 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, Illinois Funds, and the Illinois Metropolitan Investment Fund (IMET).

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

The IMET is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in the IMET are valued at the share price, the price for which the investment could be sold.

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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 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 \$16,217,109 and the bank balances totaled \$16,840,903. The Village also has \$7,479,754 invested in the Illinois Funds and \$885,522 invested in IMET, which have an average maturity of less than one year to three years.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy limits its exposure to interest rate risk by primarily investing in investment with maturities of one year or less, except for US. government and agencies obligations.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village limits its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Village's policy prescribes to the "prudent person" rule which states, "All investments shall be made with sound judgment and extraordinary care by persons of prudence, discretion, and intelligence. The primary objectives of the investment policy shall be safety, liquidity, and return on investment (yield). At year-end, the Village's investment in the Illinois Funds was rated AAAM by Standard & Poor's. The Illinois Metropolitan Investment Trust Convenience Fund is not rated and the Illinois Metropolitan Investment Trust 1-3 Year Fund is rated Aaa by Moody's.

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 does not mitigate custodial credit risk. The Village's investment in the Illinois Funds and IMET are noncategorizable. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy does not mitigate custodial credit risk for investments.

Concentration 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 risk. At year-end, the Village's investment in the Illinois Funds represents more than 5 percent of the total cash and investment portfolio.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2015

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

Deposits. At year-end, the carrying amount of the Fund’s deposits totaled \$620,737 and the bank balances totaled \$622,187.

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. Treasuries	\$ 3,116,402	466,583	2,370,179	279,640	-
U.S. Agencies	1,661,476	512,245	897,804	251,427	-
Money Market	199,282	199,282	-	-	-
Corporate Bonds	4,252,407	712,598	2,076,148	1,463,661	-
Illinois Funds	2,074	2,074	-	-	-
	<u>9,231,641</u>	<u>1,892,782</u>	<u>5,344,131</u>	<u>1,994,728</u>	<u>-</u>

Interest Rate Risk. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonable anticipated operating requirements while providing a reasonable rate to return based on the current market.

Credit Risk. The Fund limits its exposure to credit risk by primarily investing in U.S. Treasury Obligations and other obligations which are rated AA or better by a national rating agency. At year-end, the Fund’s investments in U.S. Agency securities were all rated AA+ rated by Standard & Poor’s and Corporate Bonds were rated A- to BBB by Standard & Poor’s.

Custodial Credit Risk. The Fund’s investment policy does not mitigate custodial credit risk for deposits. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

In the case of investments, the Fund limits its exposure to custodial credit risk, the investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by a third-party custodian and evidenced by safekeeping receipts.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2015

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. The Fund’s investment policy requires diversification of investment to avoid unreasonable risk. No financial institution, except any securities custodians of the Fund, shall hold more than 10% of the Fund’s portfolio at any time. In addition to the securities and fair values listed above, the Fund also has \$9,002,079 invested in mutual funds. At year end, the Fund has over 5% of net plan position invested in U.S. Treasuries (17%), U.S. Agencies (9%) and Corporate Bonds (23%). Investments that represent 5 percent or more of the total Police Pension Fund’s investment are American Funds Mutual Fund Class R-4 of \$2,433,269 and Vanguard Total Stock of \$2,358,781.

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

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	35% - 65%	3.7%
Domestic Equities	20% - 80%	8.0%
International Equities	20%	8.3%
Cash and Cash Equivalents	0%	0.0%

Illinois Compiled Statutes (ILCS) limit the Fund’s investments in equities, mutual funds and variable annuities to 55%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund’s investments was determined using an asset allocation study conducted by the Fund’s investment management consultant in May 2015 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, 2015 are listed in the table above.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2015

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

Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.39%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2014 tax levy attach as an enforceable lien on January 1, 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 March 1 and November 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 6,285,084	-	-	6,285,084
Construction in Progress	-	1,001,921	-	1,001,921
	<u>6,285,084</u>	<u>1,001,921</u>	<u>-</u>	<u>7,287,005</u>
Depreciable Capital Assets				
Parks and Improvements	10,423,292	263,696	-	10,686,988
Buildings	10,325,971	-	-	10,325,971
Equipment and Furniture	1,701,978	151,449	-	1,853,427
Vehicles and Heavy Equipment	4,470,797	208,275	192,144	4,486,928
Streets, Sidewalks and Alleys	21,186,859	250,366	-	21,437,225
	<u>48,108,897</u>	<u>873,786</u>	<u>192,144</u>	<u>48,790,539</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Governmental Activities – Continued

	Beginning Balances	Increases	Decreases	Ending Balances
Less Accumulated Depreciation				
Parks and Improvements	\$ 4,844,639	452,987	-	5,297,626
Buildings	5,603,567	292,738	-	5,896,305
Equipment and Furniture	1,400,812	78,884	-	1,479,696
Vehicles and Heavy Equipment	2,490,993	309,042	185,537	2,614,498
Streets, Sidewalks and Alleys	8,014,019	674,297	-	8,688,316
	<u>22,354,030</u>	<u>1,807,948</u>	<u>185,537</u>	<u>23,976,441</u>
 Total Net Depreciable Capital Assets	<u>25,754,867</u>	<u>(934,162)</u>	<u>6,607</u>	<u>24,814,098</u>
 Total Net Capital Assets	<u>32,039,951</u>	<u>67,759</u>	<u>6,607</u>	<u>32,101,103</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 927,243
Public Safety	313,555
Highways and Streets	57,732
Culture and Recreation	<u>509,418</u>
	<u>1,807,948</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 96,214	-	-	96,214
Construction in Progress	-	1,509,291	-	1,509,291
	<u>96,214</u>	<u>1,509,291</u>	<u>-</u>	<u>1,605,505</u>
Depreciable Capital Assets				
Buildings and Structures	692,615	-	-	692,615
Waterworks System	17,765,072	-	-	17,765,072
Equipment and Vehicles	1,271,485	35,937	-	1,307,422
	<u>19,729,172</u>	<u>35,937</u>	<u>-</u>	<u>19,765,109</u>
Less Accumulated Depreciation				
Buildings and Structures	270,298	28,944	-	299,242
Waterworks System	8,044,989	549,007	-	8,593,996
Equipment and Vehicles	611,194	77,786	-	688,980
	<u>8,926,481</u>	<u>655,737</u>	<u>-</u>	<u>9,582,218</u>
Total Net Depreciable Capital Assets	<u>10,802,691</u>	<u>(619,800)</u>	<u>-</u>	<u>10,182,891</u>
Total Net Capital Assets	<u>10,898,905</u>	<u>889,491</u>	<u>-</u>	<u>11,788,396</u>

Depreciation expense was charged to the business-type activities as follows:

Water and Sewer	<u>\$ 655,737</u>
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VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

The composition of interfund balances as of the date of this report is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 176,793
Police Pension	General	<u>22,063</u>
		<u>198,856</u>

Interfund balances are advances in anticipation of receipts.

Interfund Transfers

Interfund transfers for the year consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General	Northeast Industrial District Tax Increment Financing	\$ 130,000 (1)
General	Water and Sewer	200,000 (1)
General	Nonmajor Governmental	16,247 (1)
Debt Service	General	123,230 (2)
Debt Service	Motor Fuel Tax	6,840 (2)
Debt Service	Nonmajor Governmental	188,041 (2)
Nonmajor Governmental	General	<u>104,358 (3)</u>
		<u>768,716</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

Loans Payable

Loans payable are utilized to acquire capital equipment. Loans payable currently outstanding are as follows:

Issue	Fund Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Illinois Finance Authority Loan Payable of 2009 due in annual payments of \$12,500, non-interest bearing through May 9, 2029.	Debt Service	\$ 200,000	-	12,500	187,500
Oshkosh Capital Loan Payable of 2010 due in annual payments of \$75,193, including interest at 4.00% through August 13, 2020.	Debt Service	441,799	-	54,959	386,840
Loan Payable of 2012 due in annual payments of \$34,431 to \$36,627, including interest at 3.25% through July 20, 2015.	Debt Service	66,666	-	33,334	33,332
Cook County Intergovernmental Agreement of 2014 due in annual payments of \$500,000 to \$511,212, non- interest bearing through May 1, 2018.	Debt Service	-	1,001,921	197,881	804,040
	Water and Sewer	-	1,509,291	302,119	1,207,172
		<u>708,465</u>	<u>2,511,212</u>	<u>600,793</u>	<u>2,618,884</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Refunding Bonds of 2004 - Due in annual installments of \$60,000 to \$690,000 plus interest at 2.00% to 3.20%, through December 1, 2014.	Debt Service	\$ 690,000	-	690,000	-
General Obligation Refunding Bonds of 2011A - Due in annual installments of \$365,000 to \$410,000 plus interest at 2.00%, through December 1, 2017.	Northeast Industrial District TIF Debt	1,188,750	-	288,750	900,000
	Service	396,250	-	96,250	300,000
General Obligation Refunding Bonds of 2011B - Due in annual installments of \$325,000 to \$370,000 plus interest at 2.00%, through December 1, 2017.	Debt Service	1,430,000	-	345,000	1,085,000
		<u>3,705,000</u>	<u>-</u>	<u>1,420,000</u>	<u>2,285,000</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Illinois Environmental Protection Agency (IEPA) Loans Payable

The Village has entered into loan agreements with the IEPA to provide low interest financing for water and sewer improvements. IEPA loans currently outstanding are as follows:

Issue	Fund Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Water Pollution Control Revolving Fund Loan Payable of 2008 due in semi-annual payments of \$87,660 to \$187,731, plus interest at 2.5% through June 17, 2028.	Water and Sewer	\$ 4,599,893	-	266,816	4,333,077

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 904,103	149,697	299,394	754,406	150,881
Net Pension Obligation (Asset)	200,377	-	266,158	(65,781)	-
Net Other Post-Employment Benefit Obligation	30,608	-	30,608	-	-
Loans Payable	708,465	1,001,921	298,674	1,411,712	301,189
General Obligation Bonds Payable	3,705,000	-	1,420,000	2,285,000	745,000
	<u>5,548,553</u>	<u>1,151,618</u>	<u>2,314,834</u>	<u>4,385,337</u>	<u>1,197,070</u>
Business-Type Activities					
Compensated Absences	64,540	14,205	15,502	63,243	12,649
Loans Payable	-	1,509,291	302,119	1,207,172	302,119
IEPA Loans Payable	4,599,893	-	266,816	4,333,077	273,528
	<u>4,664,433</u>	<u>1,523,496</u>	<u>584,437</u>	<u>5,603,492</u>	<u>588,296</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

For governmental activities, the General Fund makes payments on the compensated absences, the net pension obligation/(asset) and the net other post-employment benefit obligation. Payments on the loans payable are being made by the Debt Service Fund, Motor Fuel Tax Fund, and Transportation Improvement Fund. The Northeast Industrial District TIF and the Debt Service Funds make payments on the general obligation bonds payable.

For business-type activities, the Water and Sewer Fund makes payments on the compensated absences, the loans payable and the IEPA loans payable.

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		
	Loans Payable		General Obligation Bonds Payable		Loans Payable	IEPA Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2016	\$ 301,189	18,815	745,000	45,700	302,119	273,528	106,628
2017	270,490	15,084	760,000	30,800	302,119	280,409	99,747
2018	273,243	12,331	780,000	15,600	302,119	287,463	92,693
2019	288,638	9,452	-	-	300,815	294,695	85,461
2020	81,252	6,441	-	-	-	302,108	78,048
2021	84,400	3,293	-	-	-	309,708	70,448
2022	12,500	-	-	-	-	317,500	62,656
2023	12,500	-	-	-	-	325,486	54,670
2024	12,500	-	-	-	-	333,674	46,482
2025	12,500	-	-	-	-	342,068	38,088
2026	12,500	-	-	-	-	350,673	29,482
2027	12,500	-	-	-	-	359,495	20,661
2028	12,500	-	-	-	-	368,539	11,617
2029	12,500	-	-	-	-	187,731	2,347
2030	12,500	-	-	-	-	-	-
Total	1,411,712	65,416	2,285,000	92,100	1,207,172	4,333,077	799,028

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

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 - 2014	<u>\$ 576,462,779</u>
Legal Debt Limit - 8.625% of Assessed Value	49,719,915
Amount of Debt Applicable to Limit	<u>(2,285,000)</u>
Legal Debt Margin	<u>47,434,915</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE CLASSIFICATIONS

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.

Minimum Fund Balance Policy. The Villages policy manual states that the General Fund should maintain a minimum unrestricted fund balance equal 25 to 35 percent of actual revenues. Fund balances in excess of said levels may be used for the purchase of new or replacement capital equipment.

	General	Special Revenue Northeast Industrial District Tax Increment Financing	Motor Fuel Tax	Debt Service	Nonmajor	Totals
Fund Balances						
Nonspendable						
Notes Receivable	\$ 120,000	-	-	-	-	120,000
Prepays	22,887	-	-	-	-	22,887
	142,887	-	-	-	-	142,887
Restricted						
Economic Development	-	7,123,075	-	-	261,841	7,384,916
Debt Service	-	-	-	9,762	-	9,762
Street and Streetlight Maintenance and Replacement	-	-	3,673,501	-	-	3,673,501
Transportation Improvements	-	-	-	-	1,573,316	1,573,316
Police Dispatch	-	-	-	-	2,149	2,149
Capital Projects	-	-	-	-	3,587	3,587
	-	7,123,075	3,673,501	9,762	1,840,893	12,647,231
Unassigned	10,639,883	-	-	-	(106,302)	10,533,581
Total Fund Balances	10,782,770	7,123,075	3,673,501	9,762	1,734,591	23,323,699

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE CLASSIFICATIONS – Continued

Net Position Classifications

Net investment in capital assets was comprised of the following as of April 30, 2015:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 32,101,103
Less Capital Related Debt:	
Illinois Finance Authority Loan Payable of 2009	(187,500)
Oshkosh Capital Loan Payable	(386,840)
Loan Payable of 2012	(33,332)
Cook County Intergovernmental Agreement of 2014	(804,040)
General Obligation Refunding Bonds of 2011A	(1,200,000)
General Obligation Refunding Bonds of 2011B	<u>(1,085,000)</u>
Net Investment in Capital Assets	<u>28,404,391</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	11,788,396
Less Capital Related Debt:	
Cook County Intergovernmental Agreement of 2014	(1,207,172)
IEPA Loan Payable of 2008	<u>(4,333,077)</u>
Net Investment in Capital Assets	<u>6,248,147</u>

NOTE 4 – OTHER INFORMATION

CONTINGENT LIABILITIES

Litigation

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

Grants

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES – Continued

Solid Waste Agency of Northern Cook County (SWANCC)

The City's contract with the Solid Waste Agency of Northern Cook County (SWANCC) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks are provided for through participation in the public entity risk pool Intergovernmental Risk Management Agency (IRMA). Settled claims from these risks have not exceeded the pool's limit of coverage in any year since the Village became a member in 1989. The Village retains the risk on the first \$10,000 loss per occurrence, and also for losses above the pool's \$10,000,000 coverage limit. At fiscal year end, the Village determined there were no probable unpaid claims for which it retained risk, and, as such, did not record a claims liability.

Intergovernmental Risk Management Agency (IRMA)

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Village's payments to IRMA are displayed on the financial statements as expenses in the Liability Insurance Fund. Each member assumes the first \$10,000 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts about that level. Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

North Suburban Employee's Benefit Cooperative

The Village participates in the North Suburban Employee's Benefit Cooperative (NSEBC), an agency of municipalities created to finance and administer health and life insurance benefits for its members. Each municipality appoints one representative to serve on the Board of Directors. The Board determines the general government policies which include approval of the annual budget.

COMMITMENTS

Intergovernmental Agreement

Under an Intergovernmental Agreement entered into in September of 1997, the Village agreed to provide a development benefit from the Northeast Industrial TIF District to the Lincolnwood Elementary School District #74. The benefit paid is attributable to any revenues received by the Village for any new development occurring within the Northeast Industrial TIF District. The payment is made each year until the TIF District closes and there is no limit to the amount paid to the School District. The Village paid the School District \$392,740 in the current fiscal year. The payment has been recorded as an expenditure of the General Fund.

Sales Tax Incentive Agreements

The Village has an agreement with an automobile dealership based upon sales tax revenue generated and paid by this dealership during the calendar year. The Village will remit 50% of sales tax revenue, not to exceed the maximum incentive amount of \$5,000,000, for no greater than fifteen years paid by this dealership. For the year ended April 30, 2015, the Village collected and will rebate \$110,340 of sales tax revenue to this dealership. Cumulative payments through April 30, 2015 are \$593,488.

The Village has an agreement with an automobile dealership based upon sales tax revenue generated and paid by this dealership during the calendar year. The Village will remit 50% of sales tax revenue, not to exceed the maximum incentive amount of \$1,200,000, for no greater than twenty years paid by this dealership. For the year ended April 30, 2015, the Village collected and will rebate \$23,706 of sales tax revenue to this dealership. Cumulative payments through April 30, 2015 are \$179,041.

The Village has an agreement with a home improvement center based upon sales tax revenue generated and paid and real estate tax increment received by the Village from this home improvement center during the calendar year. The Village will remit 25% of sales tax revenue and 100% of the real estate tax increment, not to exceed the maximum incentive amount of \$6,000,000, for no greater than twelve years paid by this home improvement center. For the year ended April 30, 2015, the Village collected and will rebate \$255,344 of sales and real estate tax revenue to this retailer. Cumulative payments through April 30, 2015 are \$5,711,135. This was the final payment and all obligations of the agreement have been fulfilled by the Village.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC), which consists of twenty-three municipalities. SWANCC is a municipal joint action agency, established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SWANCC is empowered under the Act to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is reported as a nonequity proprietary joint venture.

The twenty-three members of SWANCC and their percentage shares as of April 30, 2014 are as follows:

Village of Arlington Heights	10.01 %
Village of Barrington	1.40
Village of Buffalo Grove	6.62
Village of Elk Grove Village	5.07
City of Evanston	6.65
Village of Glencoe	1.25
Village of Glenview	4.50
Village of Hoffman Estates	5.54
Village of Inverness	1.07
Village of Kenilworth	0.86
Village of Lincolnwood	1.97
Village of Morton Grove	3.21
Village of Mount Prospect	8.29
Village of Niles	3.35
Village of Palatine	10.07
City of Park Ridge	5.34
City of Prospect Heights	2.91
City of Rolling Meadows	3.70
Village of Skokie	7.23
Village of South Barrington	0.74
Village of Wheeling	3.86
Village of Wilmette	3.64
Village of Winnetka	2.72
	<hr/>
	100.00 %

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Solid Waste Agency of Northern Cook County (SWANCC) – Continued

These percentage shares are subject to change in future years based on the population of the municipalities. The members form a contiguous geographic service area, which is located northwest of downtown Chicago.

SWANCC is governed by a Board of Directors, which consists of one appointed Mayor or President from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors.

The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

Summary of financial positions as of April 30, 2014:

Current Assets	\$ 4,975,698	Current Liabilities	\$ 4,001,473
Capital Assets	9,802,029	Long-Term Liabilities	<u>1,214,781</u>
Other Assets	<u>7,850</u>	Total Liabilities	<u>5,216,254</u>
Total Assets	<u>14,785,577</u>	Net Position	<u>9,569,323</u>

Summary of revenues, expenses and changes in net position for the year ended April 30, 2014:

Operating Revenues	\$ 14,380,631
Operating Expenses	<u>14,091,744</u>
Change in Net Position	288,887
Net Position - Beginning	<u>9,280,436</u>
Net Position - Ending	<u>9,569,323</u>

Complete financial statements for SWANCC can be obtained from the Agency's administrative office at 2700 Patriot Boulevard, Suite 110, Glenview, Illinois 60026.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Solid Waste Agency of Northern Cook County (SWANCC) – Continued

SWANCC's bonds are revenue obligations. They are limited obligations of SWANCC, 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 SWANCC resolutions. SWANCC has no power to levy taxes.

Revenues of the system consist of: (a) all receipts derived from Solid Waste Disposal Contracts or any other contracts for the disposal of waste; (b) all income derived from the investment of monies; and (c) all income, fees, service charges, and all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system. SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The Contracts are irrevocable, and may not be terminated or amended, except as provided in the Contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual cost of the system.

The obligation of the Village to make all payments as required by this Contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under this Contract.

The payments required to be made by the Village under this Contract are required to be made solely from revenues to be derived by the Village from the operation of the Solid Waste Disposal System. The Village is not prohibited by the Contract from using any other funds to make the payments required by the Contract. The Contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), and the Sheriff's Law Enforcement Program (SLEP), which are both defined benefit agent multiple-employer public employee retirement systems administered by the IMRF; and the Police Pension Plan, which is a single-employer, pension plan. A copy of the Police Pension Plan report may be obtained by writing to the Village at 6900 North Lincoln Avenue, Lincolnwood, Illinois 60712. IMRF and SLEP issue 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 online 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 LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions

Illinois Municipal Retirement System

All employees (other than those covered by the Police Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Participating members hired before January 1, 2011 (Tier 1) who retire at or after age 60 (full benefits) or age 55 (reduced benefits) with 8 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. For participating members hired on or after January 1, 2011 (Tier 2) who retire at or after age 67 (full benefits) or age 62 (reduced benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. For calendar year 2014, the employer annual required contribution rate was 10.91 percent.

Sheriff's Law Enforcement Personnel

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

These benefit provisions and all other requirements are established by State statutes. SLEP members are required to contribute 7.50% of their annual salary to SLEP. The City is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution rate for the calendar year 2014 was 13.75 percent.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions – Continued

Police Pension Plan

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, 2015, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	35
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>30</u>
Total	<u><u>65</u></u>

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

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions – Continued

Police Pension Plan

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

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2015, the Village's contribution was 55.00% of covered payroll.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting. The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters – Continued

Significant Investments. At year end, the Police Pension Plan has over 5% of net position invested in U.S. Treasuries (17%), U.S. Agencies (9%) and Corporate Bonds (23%) and investments (other than U.S. Government and U.S. Government-guaranteed obligations) in American Funds Mutual Fund Class R-4 of \$2,433,269 and Vanguard Total Stock of \$2,358,781. Information for IMRF is not available.

Related Party Transactions. There are no securities of the employer or any other related parties included in plan assets.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2015, using the following actuarial methods and assumptions:

	<u>Police Pension</u>
Actuarial Valuation Date	4/30/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	5.00%
Cost of Living Adjustments	3.00%
Inflation	2.50%

Mortality rates were based on the RP-2000 Mortality Table. The actuarial assumptions used in the April 30, 2015 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.00%, 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 sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liabilities calculated using the discount rate as well as what the net pension liabilities 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 (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Police Pension			
Net Pension Liability	\$ 26,785,297	22,119,918	18,194,105

Net Pension Liability

The components of the net pension liability of the Village’s Plans as of April 30, 2015, calculated in accordance with GASB Statement No. 67, were as follows:

	Police Pension
Total Pension Liability	\$ 41,065,855
Plan Fiduciary Net Position	18,945,937
Village's Net Pension Liability	22,119,918
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	46.1%

See the Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios in the required supplementary information for additional information related to the funded status of the Fund.

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation

There is no net pension obligation for the SLEP plan. The amount of the net pension obligation (asset) for IMRF and the Police Pension Plan is as follows:

	IMRF	Police Pension	Totals
Annual Required Contribution	\$ 429,845	1,156,492	1,586,337
Interest on Net Pension Obligation	9,665	5,006	14,671
Adjustment to Annual Required Contribution	(6,908)	(3,413)	(10,321)
Annual Pension Cost	432,602	1,158,085	1,590,687
Actual Contribution	454,845	1,402,000	1,856,845
Increase (Decrease) to the NPO	(22,243)	(243,915)	(266,158)
NPO Beginning	128,860	71,517	200,377
NPO (NPA) Ending	106,617	(172,398)	(65,781)

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

The actuarial assumptions and related plan information is as follows:

	IMRF	SLEP	Police Pension
Contribution Rates			
Employer	10.91%	13.75%	55.00%
Employee	4.50%	7.50%	9.91%
Actuarial Valuation Date	12/31/2014	12/31/2014	4/30/2015
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Open Basis	Level % of Projected Payroll Open Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	29 Years	29 Years	26 Years
Asset Valuation Method	5-Year Smoothed Market	5-Year Smoothed Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.50% Compounded Annually	7.00% Compounded Annually
Projected Salary Increases	.4 to 10.0%	.4 to 10.0%	5.00%
Inflation Rate Included	4.00%	4.00%	2.50%
Cost-of-Living Adjustments	3.00%	3.00%	2.00 - 3.00%

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Trend Information

Employer annual pension cost (APC), actual contributions and the net pension obligation (asset) (NPO/NPA) are as follows. The NPO/NPA is the cumulative difference between the APC and the contributions actually made.

	Fiscal Year	IMRF	SLEP	Police Pension
Annual Pension Cost (APC)	2013	\$ 407,022	\$ 18,765	\$ 1,157,740
	2014	440,067	30,613	1,155,818
	2015	432,602	31,615	1,158,085
Actual Contributions	2013	404,380	18,765	1,453,031
	2014	437,369	30,613	1,454,636
	2015	454,845	31,615	1,402,000
Percentage of APC Contributed	2013	99.35%	100.00%	125.51%
	2014	99.39%	100.00%	125.85%
	2015	105.14%	100.00%	121.06%
Net Pension Obligation (Asset)	2013	126,162	-	370,335
	2014	128,860	-	71,517
	2015	106,617	-	(172,398)

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Funded Status and Funding Progress

The Village's funded status for the current year and related information for each plan is as follows:

	IMRF	SLEP	Police Pension
Actuarial Valuation Date	12/31/14	12/31/14	4/30/15
Percent Funded	79.74%	100.00%	46.14%
Actuarial Accrued Liability for Benefits	\$11,076,910	\$0	\$41,065,855
Actuarial Value of Assets	\$8,833,224	\$34,345	\$18,945,937
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$2,243,686)	\$34,345	(\$22,119,918)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$3,927,599	\$0	\$2,549,041
Ratio of UAAL to Covered Payroll	57.13%	0.00%	867.77%

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Village has evaluated its potential other postemployment benefits liability. Former employees who choose to retain their rights to health insurance through the Village are required to pay 100% of the current premium. However, only one employee has chosen to stay in the Village's health insurance plan. As the explicit cost of the one retirees paying 100% of the premium is immaterial, there is no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Therefore, the Village has written off their outstanding net pension liability as of April 30, 2015.

SUBSEQUENT EVENTS

On August 18, 2015 the Village approved an ordinance terminating the designation of and dissolving the special tax allocation fund for the Touhy/Lawndale Redevelopment Project Area.

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
 - Illinois Municipal Retirement Fund
 - Sheriff's Law Enforcement Plan
 - Police Pension Fund
- Schedule of Employer Contributions
 - Police Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability
 - Police Pension Fund
- Schedule of Investment Returns
 - Police Pension Fund
- Budgetary Comparison Schedules
 - General Fund
 - Northeast Industrial District Tax Increment Financing – Special Revenue Fund
 - Motor Fuel Tax – 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 LINCOLNWOOD, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
 Schedule of Funding Progress and Employer Contributions
 April 30, 2015

Funding Progress

Actuarial Valuation Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2009	\$ 7,336,828	\$ 9,043,959	81.12%	\$ 1,707,131	\$ 3,508,013	48.66%
2010	7,959,274	9,532,759	83.49%	1,573,485	3,443,234	45.70%
2011	8,741,584	10,638,277	82.17%	1,896,693	3,589,439	52.84%
2012	8,935,908	10,701,010	83.51%	1,765,102	3,640,083	48.49%
2013	8,862,438	10,504,093	84.37%	1,641,655	3,689,539	44.49%
2014	8,833,224	11,076,910	79.74%	2,243,686	3,927,599	57.13%

Employer Contributions

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
2010	\$ 287,046	\$ 312,006	92.00%
2011	307,515	397,638	77.34%
2012	368,843	394,137	93.58%
2013	404,380	404,380	100.00%
2014	437,369	437,369	100.00%
2015	454,845	429,845	105.82%

VILLAGE OF LINCOLNWOOD, ILLINOIS

Sheriff's Law Enforcement Personnel Fund

Required Supplementary Information
 Schedule of Funding Progress and Employer Contributions
 April 30, 2015

Funding Progress

Actuarial Valuation Dec. 31	(1) Actuarial Value of Plan Assets*	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2009	\$ (108,246)	\$ -	0.00%	\$ 108,246	\$ -	0.00%
2010	(110,149)	-	0.00%	110,149	-	0.00%
2011	(79,609)	-	0.00%	79,609	-	0.00%
2012	(56,766)	-	0.00%	56,766	-	0.00%
2013	1,570	-	100.00%	(1,570)	-	0.00%
2014	34,345	-	100.00%	(34,345)	-	0.00%

Employer Contributions

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
2010	\$ 10,770	\$ 10,770	100.00%
2011	11,844	11,844	100.00%
2012	13,032	13,032	100.00%
2013	18,765	18,765	100.00%
2014	30,613	30,613	100.00%
2015	31,615	31,615	100.00%

*Negative due to investment losses.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
April 30, 2015**

Funding Progress

Actuarial Valuation Apr. 30	(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 Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2010	\$ 15,182,164	\$ 31,916,549	47.57%	\$ 16,734,385	\$ 2,693,358	621.32%
2011	16,037,540	33,179,807	48.34%	17,142,267	2,647,745	647.43%
2012	16,417,076	34,501,754	47.58%	18,084,678	2,668,541	677.70%
2013	17,093,985	35,383,156	48.31%	18,289,171	2,624,207	696.94%
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	18,945,937	41,065,855	46.14%	22,119,918	2,549,041	867.77%

Employer Contributions

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
2010	\$ 1,196,105	\$ 1,047,377	114.20%
2011	1,204,927	1,180,144	102.10%
2012	1,393,004	1,292,463	107.78%
2013	1,453,031	1,141,231	127.32%
2014	1,454,636	1,146,633	126.86%
2015	1,402,000	1,156,492	121.23%

N/A - Not available

VILLAGE OF LINCOLNWOOD, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2015**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 1,180,180	\$ 1,402,000	\$ 221,820	\$ 2,549,041	55.0%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	Market Value
Inflation	2.5%
Salary Increases	5.0%
Investment Rate of Return	7.0%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP 2000 CHBCA

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2015

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 607,303
Interest	2,479,621
Differences Between Expected and Actual Experience	715,929
Change of Assumptions	2,821,996
Benefit Payments, Including Refunds of Member Contributions	<u>(1,964,302)</u>
Net Change in Total Pension Liability	4,660,547
Total Pension Liability - Beginning	<u>36,405,308</u>
Total Pension Liability - Ending	<u><u>41,065,855</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	1,402,000
Contributions - Members	327,215
Net Investment Income	975,130
Benefit Payments, Including Refunds of Member Contributions	(1,964,302)
Administrative Expense	<u>(13,796)</u>
Net Change in Plan Fiduciary Net Position	726,247
Plan Net Position - Beginning	<u>18,219,690</u>
Plan Net Position - Ending	<u><u>18,945,937</u></u>
Employer's Net Pension Liability	<u><u>22,119,918</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	46.1%
Covered-Employee Payroll	\$ 2,549,041
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	867.8%

VILLAGE OF LINCOLNWOOD, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Investment Returns

April 30, 2015

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	5.39%

VILLAGE OF LINCOLNWOOD, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 9,622,000	9,622,000	9,111,985
Charges for Services	1,956,832	1,956,832	1,903,730
Licenses and Permits	1,331,780	1,331,780	1,033,923
Intergovernmental	6,104,265	6,104,265	6,378,805
Fines and Forfeitures	365,400	365,400	297,578
Investment Income	88,000	88,000	160,915
Miscellaneous	268,212	268,212	372,967
Total Revenues	19,736,489	19,736,489	19,259,903
Expenditures			
Current			
General Government	3,466,484	3,466,484	3,208,150
Public Safety	9,616,662	9,616,662	9,518,972
Highways and Streets	1,251,383	1,251,383	1,226,648
Sanitation	1,071,000	1,071,000	1,001,538
Economic Development	996,806	996,806	1,314,624
Culture and Recreation	2,261,734	2,261,734	2,194,920
Capital Outlay	876,173	876,173	772,429
Total Expenditures	19,540,242	19,540,242	19,237,281
Excess (Deficiency) of Revenues Over (Under) Expenditures	196,247	196,247	22,622
Other Financing Sources (Uses)			
Transfers In	335,000	335,000	346,247
Transfers Out	(531,247)	(531,247)	(227,588)
	(196,247)	(196,247)	118,659
Net Change in Fund Balance	-	-	141,281
Fund Balance - Beginning			10,641,489
Fund Balance - Ending			10,782,770

VILLAGE OF LINCOLNWOOD, ILLINOIS

Northeast Industrial District Tax Increment Financing - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Local Taxes	\$ 1,000,000	1,000,000	676,249
Intergovernmental			
Grants	20,000	20,000	-
Interest	11,000	11,000	18,512
Total Revenues	<u>1,031,000</u>	<u>1,031,000</u>	<u>694,761</u>
Expenditures			
Current			
General Government	485,000	485,000	29,440
Capital Outlay	1,779,000	1,779,000	77,226
Debt Service			
Principal Retirement	288,750	288,750	288,750
Interest and Fiscal Charges	24,150	24,150	24,150
Total Expenditures	<u>2,576,900</u>	<u>2,576,900</u>	<u>419,566</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,545,900)	(1,545,900)	275,195
Other Financing (Uses)			
Transfers Out	<u>(2,130,000)</u>	<u>(2,130,000)</u>	<u>(130,000)</u>
Net Change in Fund Balance	<u>(3,675,900)</u>	<u>(3,675,900)</u>	145,195
Fund Balance - Beginning			<u>6,977,880</u>
Fund Balance - Ending			<u><u>7,123,075</u></u>

VILLAGE OF LINCOLNWOOD, 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, 2015

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 300,000	300,000	415,887
Grants	105,000	105,000	68,661
Interest	1,100	1,100	894
Total Revenues	406,100	406,100	485,442
Expenditures			
Highways and Streets	205,000	205,000	188,704
Excess (Deficiency) of Revenues Over (Under) Expenditures	201,100	201,100	296,738
Other Financing Sources (Uses)			
Debt Issuance	-	-	34,201
Transfers Out	-	-	(6,840)
	-	-	27,361
Net Change in Fund Balance	201,100	201,100	324,099
Fund Balance - Beginning			3,349,402
Fund Balance - Ending			3,673,501

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
 - General Fund
 - Debt Service Fund
- Combining Statements – Nonmajor Governmental Funds
 - Combining Balance Sheet
 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
 - E-911 – Special Revenue Fund
 - Touhy/Lawndale Tax Increment Financing – Special Revenue Fund
 - Transportation Improvement – Special Revenue Fund
 - Lincoln/Touhy Tax Increment Financing – Special Revenue Fund
 - Comm Ed ROW Bike Path – Capital Projects Fund
 - PEP – Capital Projects Fund
 - Private Water Line Assistance – Capital Projects Fund
- Budgetary Comparison Schedule – Enterprise Fund
 - Water and Sewer Fund
- Budgetary Comparison Schedule – Fiduciary Fund
 - Police Pension – Pension Trust Fund

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Northeast Industrial District Tax Increment Financing Fund

The Northeast Industrial District Tax Increment Financing Fund is used to account for resources (restricted real estate taxes) received and expenditures made to promote the objectives of the TIF District.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for resources to maintain traffic signal lighting in the Village and for services performed by the Village for upkeep of IDOT street within the Village limits

E-911 Fund

The E-911 Fund is used to account for resources for the emergency communications operation that receives calls from the public for emergency service requests.

Touhy/Lawndale Tax Increment Financing Fund

The Touhy/Lawndale Tax Increment Financing Fund is used to account for resources generated from the properties within the Touhy/Lawndale Tax Increment Financing District.

Transportation Improvement Fund

The Transportation Improvement Fund is used to account for resources to improve the transportation systems in the Village.

Lincoln/Touhy Tax Increment Financing Fund

The Lincoln/Touhy Tax Increment Financing Fund is used to account for resources generated from the properties within the Lincoln/Touhy Tax Increment Financing District.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

SPECIAL REVENUE FUNDS – Continued

Devon/Lincoln Tax Increment Financing Fund

The Devon/Lincoln Tax Increment Financing Fund is used to account for resources generated from the properties within the Devon/Lincoln Tax Increment Financing District. The Devon/Lincoln Tax Increment Financing District was established on June 24, 2014.

DEBT SERVICE FUND

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

CAPITAL PROJECTS FUNDS

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

Channel Runne Improvement Fund

The Channel Runne Improvement Fund is used to account for resources to complete capital improvements in the Channel Runne Park.

Comm Ed ROW Bike Path Fund

The Comm Ed ROW Bike Path Fund is used to account for a grant and other sources to construct a bike path in the utility right-of-way.

PEP Fund

The PEP Fund is used to account for resources to provide business owners to make improvements to their buildings exterior and other property enhancements that will improve the appearance of a business district.

Private Water Line Assistance Fund

The Private Water Line Assistance Fund is used to assist Village residents in replacing their private sewer lines due to damage caused by Village trees located in homeowners' parkways.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUND

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

Water and Sewer Fund

The Water and Sewer Fund is used to account for resources to maintain the Village's water distribution system and combined storm/sanitary sewer system.

TRUST FUND

PENSION TRUST FUND

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

VILLAGE OF LINCOLNWOOD, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 5,608,000	5,608,000	5,315,785
Home Rule Sales Tax	1,796,000	1,796,000	1,662,996
Food and Beverage Tax	450,000	450,000	479,566
Auto Rental Tax	12,000	12,000	7,344
Foreign Fire Insurance Tax	26,000	26,000	28,595
Gas Tax for Motor Fuel	140,000	140,000	135,455
Utility Taxes - Electric	600,000	600,000	589,537
Utility Taxes - Natural Gas	410,000	410,000	391,223
Telecommunications Tax	580,000	580,000	501,484
	<u>9,622,000</u>	<u>9,622,000</u>	<u>9,111,985</u>
Charges for Services			
Accident Report Fee	7,000	7,000	10,792
Alarm Service Fee	72,515	72,515	82,851
Ambulance and EMS Fee	400,000	400,000	366,929
Filing and Variance Fee	5,000	5,000	6,750
Landscape Waste Program Sales	700	700	330
Parks and Recreation	1,435,187	1,435,187	1,399,483
Tree Replacement Sales	-	-	-
Elevator Inspection Fee	12,000	12,000	8,975
Other Charges for Services	24,430	24,430	27,620
	<u>1,956,832</u>	<u>1,956,832</u>	<u>1,903,730</u>
Licenses and Permits			
Vehicle Licenses	339,500	339,500	344,746
Business Licenses	130,566	130,566	114,301
Liquor Licenses	35,850	35,850	36,965
Building Permits	624,585	624,585	306,719
Franchise Fees	170,000	170,000	198,547
Licenses and Permits - Other	31,279	31,279	32,645
	<u>1,331,780</u>	<u>1,331,780</u>	<u>1,033,923</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Intergovernmental			
State Income Tax	\$ 1,200,000	1,200,000	1,291,234
State Sales Tax	4,475,000	4,475,000	4,650,872
Personal Property Replacement Tax	140,000	140,000	157,314
State Use Tax	200,000	200,000	250,163
State Grants	89,265	89,265	29,222
	<u>6,104,265</u>	<u>6,104,265</u>	<u>6,378,805</u>
Fines and Forfeitures			
Late Payment Penalty	7,000	7,000	6,060
NSF Check Charge	400	400	150
Circuit Court Fines	65,000	65,000	54,513
Court Cost Liens and Fees	15,000	15,000	63,292
Parking Ticket Fines	85,000	85,000	50,258
Red Light Camera Fines	163,000	163,000	109,425
False Alarm Fines	18,000	18,000	13,880
Building Code Violation Fines	12,000	12,000	-
	<u>365,400</u>	<u>365,400</u>	<u>297,578</u>
Investment Income	<u>88,000</u>	<u>88,000</u>	<u>160,915</u>
Miscellaneous			
Rent - Telecommunications Antenna Site Lease	46,500	46,500	58,227
Rent - Parking Lot	55,000	55,000	55,000
Reimbursements	116,000	116,000	104,089
Donations	13,000	13,000	111,511
Miscellaneous	37,712	37,712	44,140
	<u>268,212</u>	<u>268,212</u>	<u>372,967</u>
Total Revenues	<u>19,736,489</u>	<u>19,736,489</u>	<u>19,259,903</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
General Government			
Village President and Board of Trustees			
Personal Services	\$ 64,844	64,844	64,783
Contractual Services	11,500	11,500	7,756
Commodities	43,730	43,730	38,256
	<u>120,074</u>	<u>120,074</u>	<u>110,795</u>
Village Clerk			
Personal Services	8,852	8,852	8,883
Commodities	10,350	10,350	8,417
	<u>19,202</u>	<u>19,202</u>	<u>17,300</u>
Village Manager			
Personal Services	628,760	628,760	630,807
Contractual Services	12,500	12,500	8,480
Commodities	68,990	68,990	73,726
	<u>710,250</u>	<u>710,250</u>	<u>713,013</u>
Finance Department			
Personal Services	556,284	556,284	524,263
Contractual Services	234,500	234,500	130,583
Commodities	128,775	128,775	124,552
	<u>919,559</u>	<u>919,559</u>	<u>779,398</u>
Engineering			
Commodities	105,500	105,500	69,985
Legal Department			
Contractual Services	321,000	321,000	273,639
Information Services			
Personal Services	8,852	8,852	7,838
Contractual Services	180,294	180,294	188,128
Commodities	59,625	59,625	59,840
	<u>248,771</u>	<u>248,771</u>	<u>255,806</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
General Government - Continued			
Public Works Department			
Personal Services	\$ 403,569	403,569	399,417
Contractual Services	10,000	10,000	7,133
Commodities	17,074	17,074	13,570
	<u>430,643</u>	<u>430,643</u>	<u>420,120</u>
Vehicle Maintenance Division			
Personal Services	248,570	248,570	221,534
Commodities	21,220	21,220	28,958
	<u>269,790</u>	<u>269,790</u>	<u>250,492</u>
Building Maintenance Division			
Personal Services	116,655	116,655	120,949
Contractual Services	34,400	34,400	25,320
Commodities	170,640	170,640	171,333
	<u>321,695</u>	<u>321,695</u>	<u>317,602</u>
Total General Government	<u>3,466,484</u>	<u>3,466,484</u>	<u>3,208,150</u>
Public Safety			
Police Department			
Personal Services	6,250,568	6,250,568	6,126,192
Contractual Services	9,578	9,578	6,115
Commodities	350,685	350,685	306,048
	<u>6,610,831</u>	<u>6,610,831</u>	<u>6,438,355</u>
Fire Department			
Personal Services	77,188	77,188	78,758
Contractual Services	2,657,307	2,657,307	2,659,725
Commodities	271,336	271,336	342,134
	<u>3,005,831</u>	<u>3,005,831</u>	<u>3,080,617</u>
Total Public Safety	<u>9,616,662</u>	<u>9,616,662</u>	<u>9,518,972</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Highways and Streets			
Street Maintenance Division			
Personal Services	\$ 749,583	749,583	763,340
Contractual Services	148,800	148,800	75,859
Commodities	353,000	353,000	387,449
Total Highways and Streets	1,251,383	1,251,383	1,226,648
Sanitation			
Contractual	1,071,000	1,071,000	1,001,538
Economic Development			
Community Development Department			
Personal Services	413,157	413,157	422,730
Contractual Services	403,949	403,949	294,831
Commodities	179,700	179,700	597,063
Total Economic Development	996,806	996,806	1,314,624
Culture and Recreation			
Parks and Recreation Department			
Personal Services	1,521,335	1,521,335	1,452,036
Contractual Services	283,850	283,850	277,386
Commodities	456,549	456,549	465,498
Total Culture and Recreation	2,261,734	2,261,734	2,194,920
Capital Outlay			
General Government			
Information Services	393,901	393,901	339,414
Public Safety			
Police Department	96,200	96,200	142,606
Fire Department	127,072	127,072	32,801
Sanitation	85,000	85,000	86,453
Culture and Recreation			
Parks and Recreation Department	174,000	174,000	171,155
Total Capital Outlay	876,173	876,173	772,429
Total Expenditures	19,540,242	19,540,242	19,237,281

VILLAGE OF LINCOLNWOOD, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Local Taxes	\$ 1,187,065	1,187,065	1,190,480
Expenditures			
Debt Service			
Principal Retirement	1,441,832	1,441,832	1,429,924
Interest and Fiscal Charges	58,007	58,007	78,667
Total Expenditures	1,499,839	1,499,839	1,508,591
Excess (Deficiency) of Revenues Over (Under) Expenditures	(312,774)	(312,774)	(318,111)
Other Financing Sources			
Transfers In	310,606	310,606	318,111
Net Change in Fund Balance	<u>(2,168)</u>	<u>(2,168)</u>	-
Fund Balance - Beginning			<u>9,762</u>
Fund Balance - Ending			<u>9,762</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet
April 30, 2015

	Special Revenue	Capital Projects	Totals
ASSETS			
Cash and Investments	\$ 2,031,310	-	2,031,310
Receivables			
Accounts	51,336	-	51,336
Accrued Interest	418	-	418
Due from Other Governments	-	113,538	113,538
Total Assets	<u>2,083,064</u>	<u>113,538</u>	<u>2,196,602</u>
LIABILITIES			
Accounts Payable	225,127	57,617	282,744
Accrued Payroll	2,474	-	2,474
Due to Other Funds	124,459	52,334	176,793
Total Liabilities	<u>352,060</u>	<u>109,951</u>	<u>462,011</u>
FUND BALANCES			
Restricted	1,837,306	3,587	1,840,893
Unassigned	(106,302)	-	(106,302)
Total Fund Balances	<u>1,731,004</u>	<u>3,587</u>	<u>1,734,591</u>
Total Liabilities and Fund Balances	<u>2,083,064</u>	<u>113,538</u>	<u>2,196,602</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2015

	Special Revenue	Capital Projects	Totals
Revenues			
Taxes	\$ 506,190	-	506,190
Intergovernmental	176,351	113,538	289,889
Interest	6,429	-	6,429
Miscellaneous	-	11,247	11,247
Total Revenues	<u>688,970</u>	<u>124,785</u>	<u>813,755</u>
Expenditures			
General Government	484,410	-	484,410
Highways and Streets	1,258,646	-	1,258,646
Capital Outlay	4,394	162,896	167,290
Total Expenditures	<u>1,747,450</u>	<u>162,896</u>	<u>1,910,346</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,058,480)</u>	<u>(38,111)</u>	<u>(1,096,591)</u>
Other Financing Sources (Uses)			
Debt Issuance	967,720	-	967,720
Transfers In	55,000	49,358	104,358
Transfers Out	(193,041)	(11,247)	(204,288)
	<u>829,679</u>	<u>38,111</u>	<u>867,790</u>
Net Change in Fund Balances	(228,801)	-	(228,801)
Fund Balances - Beginning	<u>1,959,805</u>	<u>3,587</u>	<u>1,963,392</u>
Fund Balances - Ending	<u>1,731,004</u>	<u>3,587</u>	<u>1,734,591</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

April 30, 2015

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

April 30, 2015

	<u>E-911</u>
ASSETS	
Cash and Investments	\$ -
Receivables	
Accounts	19,435
Accrued Interest	<u>-</u>
Total Assets	<u><u>19,435</u></u>
LIABILITIES	
Accounts Payable	6,020
Accrued Payroll	2,474
Due to Other Funds	<u>8,792</u>
Total Liabilities	<u><u>17,286</u></u>
FUND BALANCES	
Restricted	2,149
Unassigned	<u>-</u>
Total Fund Balances	<u><u>2,149</u></u>
Total Liabilities and Fund Balances	<u><u>19,435</u></u>

Touhy/ Lawndale Tax Increment Financing	Transportation Improvement	Lincoln/ Touhy Tax Increment Financing	Devon/ Lincoln Tax Increment Financing	Totals
466,169	1,565,041	100	-	2,031,310
-	31,901	-	-	51,336
-	418	-	-	418
466,169	1,597,360	100	-	2,083,064
204,328	8,589	-	6,190	225,127
-	-	-	-	2,474
-	15,455	63,117	37,095	124,459
204,328	24,044	63,117	43,285	352,060
261,841	1,573,316	-	-	1,837,306
-	-	(63,017)	(43,285)	(106,302)
261,841	1,573,316	(63,017)	(43,285)	1,731,004
466,169	1,597,360	100	-	2,083,064

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2015

	<u>E-911</u>
Revenues	
Taxes	\$ -
Intergovernmental	176,351
Interest	1,245
Total Revenues	<u>177,596</u>
Expenditures	
General Government	233,923
Highways and Streets	-
Capital Outlay	4,394
Total Expenditures	<u>238,317</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(60,721)</u>
Other Financing Sources (Uses)	
Debt Issuance	-
Transfers In	55,000
Transfers Out	-
	<u>55,000</u>
Net Change in Fund Balances	(5,721)
Fund Balances - Beginning	<u>7,870</u>
Fund Balances - Ending	<u><u>2,149</u></u>

Touhy/ Lawndale Tax Increment Financing	Transportation Improvement	Lincoln/ Touhy Tax Increment Financing	Devon/ Lincoln Tax Increment Financing	Totals
235,280	270,910	-	-	506,190
-	-	-	-	176,351
2	5,182	-	-	6,429
235,282	276,092	-	-	688,970
207,202	-	-	43,285	484,410
-	1,258,646	-	-	1,258,646
-	-	-	-	4,394
207,202	1,258,646	-	43,285	1,747,450
28,080	(982,554)	-	(43,285)	(1,058,480)
-	967,720	-	-	967,720
-	-	-	-	55,000
(5,000)	(188,041)	-	-	(193,041)
(5,000)	779,679	-	-	829,679
23,080	(202,875)	-	(43,285)	(228,801)
238,761	1,776,191	(63,017)	-	1,959,805
261,841	1,573,316	(63,017)	(43,285)	1,731,004

VILLAGE OF LINCOLNWOOD, ILLINOIS

E-911 - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental	\$ 173,000	173,000	176,351
Interest	50	50	1,245
Total Revenues	<u>173,050</u>	<u>173,050</u>	<u>177,596</u>
Expenditures			
General Government	242,409	242,409	233,923
Capital Outlay	4,000	4,000	4,394
Total Expenditures	<u>246,409</u>	<u>246,409</u>	<u>238,317</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(73,359)	(73,359)	(60,721)
Other Financing Sources			
Transfers In	<u>60,000</u>	<u>60,000</u>	<u>55,000</u>
Net Change in Fund Balance	<u>(13,359)</u>	<u>(13,359)</u>	<u>(5,721)</u>
Fund Balance - Beginning			<u>7,870</u>
Fund Balance - Ending			<u><u>2,149</u></u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Touhy/Lawndale Tax Increment Financing - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 520,000	520,000	235,280
Interest	-	-	2
Total Revenues	<u>520,000</u>	<u>520,000</u>	<u>235,282</u>
Expenditures			
General Government	<u>520,000</u>	<u>520,000</u>	<u>207,202</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	28,080
Other Financing (Uses)			
Transfers Out	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>
Net Change in Fund Balance	<u><u>(5,000)</u></u>	<u><u>(5,000)</u></u>	23,080
Fund Balance - Beginning			<u>238,761</u>
Fund Balance - Ending			<u><u>261,841</u></u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Transportation Improvement - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Local Taxes	\$ 310,000	310,000	270,910
Interest	1,000	1,000	5,182
Total Revenues	311,000	311,000	276,092
Expenditures			
Highways and Streets	1,231,796	1,231,796	1,258,646
Excess (Deficiency) of Revenues Over (Under) Expenditures	(920,796)	(920,796)	(982,554)
Other Financing Sources (Uses)			
Debt Issuance	936,796	936,796	967,720
Transfers Out	(187,359)	(187,359)	(188,041)
	749,437	749,437	779,679
Net Change in Fund Balance	(171,359)	(171,359)	(202,875)
Fund Balance - Beginning			1,776,191
Fund Balance - Ending			1,573,316

VILLAGE OF LINCOLNWOOD, ILLINOIS

Lincoln/Touhy Tax Increment Financing - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Miscellaneous	\$ -	-	-
Expenditures			
General Government	5,000	5,000	-
Net Change in Fund Balance	<u>(5,000)</u>	<u>(5,000)</u>	-
Fund Balance - Beginning			<u>(63,017)</u>
Fund Balance - Ending			<u><u>(63,017)</u></u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Balance Sheet
April 30, 2015

	Channel Runne Improvement	Comm Ed ROW Bike Path	PEP	Private Water Line Assistance	Totals
ASSETS					
Cash and Investments	\$ -	-	-	-	-
Due from Other Governments	-	113,538	-	-	113,538
Total Assets	-	113,538	-	-	113,538
LIABILITIES					
Accounts Payable	-	57,617	-	-	57,617
Due to Other Funds	-	52,334	-	-	52,334
Total Liabilities	-	109,951	-	-	109,951
FUND BALANCES					
Restricted	-	3,587	-	-	3,587
Total Liabilities and Fund Balances	-	113,538	-	-	113,538

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2015

	Channel Runne Improvement	Comm Ed ROW Bike Path	PEP	Private Water Line Assistance	Totals
Revenues					
Intergovernmental	\$ -	113,538	-	-	113,538
Miscellaneous	11,247	-	-	-	11,247
Total Revenues	11,247	113,538	-	-	124,785
Expenditures					
Capital Outlay	-	158,896	-	4,000	162,896
Excess (Deficiency) of Revenues Over (Under) Expenditures					
	11,247	(45,358)	-	(4,000)	(38,111)
Other Financing Sources (Uses)					
Transfers In	-	45,358	-	4,000	49,358
Transfers Out	(11,247)	-	-	-	(11,247)
	(11,247)	45,358	-	4,000	38,111
Net Change in Fund Balances					
	-	-	-	-	-
Fund Balances - Beginning					
	-	3,587	-	-	3,587
Fund Balances - Ending					
	-	3,587	-	-	3,587

VILLAGE OF LINCOLNWOOD, ILLINOIS

Comm Ed ROW Bike Path - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
State Grants	\$ 194,000	194,000	113,538
Expenditures			
Capital Outlay			
Contractual Services	442,000	442,000	158,896
Excess (Deficiency) of Revenues Over (Under) Expenditures	(248,000)	(248,000)	(45,358)
Other Financing Sources			
Transfers In	248,000	248,000	45,358
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning			3,587
Fund Balance - Ending			3,587

VILLAGE OF LINCOLNWOOD, ILLINOIS

PEP - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental	\$ -	-	-
Expenditures			
Capital Outlay	50,000	50,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,000)	(50,000)	-
Other Financing Sources			
Transfers In	50,000	50,000	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning			-
Fund Balance - Ending			-

VILLAGE OF LINCOLNWOOD, ILLINOIS

Private Water Line Assistance - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental	\$ -	-	-
Expenditures			
Capital Outlay	50,000	50,000	4,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,000)	(50,000)	(4,000)
Other Financing Sources			
Transfers In	50,000	50,000	4,000
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning			-
Fund Balance - Ending			-

VILLAGE OF LINCOLNWOOD, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 4,508,000	4,508,000	4,103,805
Fines and Forfeitures	40,000	40,000	52,808
Total Operating Revenues	<u>4,548,000</u>	<u>4,548,000</u>	<u>4,156,613</u>
Operating Expenses			
Cost of Sales and Services			
Personal Services	818,773	818,773	782,950
Contractual	364,369	364,369	355,007
Commodities	2,328,048	2,328,048	2,155,157
Capital Outlay	495,000	495,000	371
Less Capital Assets Capitalized	(495,000)	(495,000)	-
Debt Service			
Principal Payments	568,935	568,935	568,935
Less Principal Payments Capitalized	(568,935)	(568,935)	(568,935)
Depreciation	-	-	655,737
Total Operating Expenses	<u>3,511,190</u>	<u>3,511,190</u>	<u>3,949,222</u>
Operating Income	<u>1,036,810</u>	<u>1,036,810</u>	<u>207,391</u>
Nonoperating Revenues (Expenses)			
Interest Income	2,000	2,000	2,659
Interest and Fiscal Charges	(113,340)	(113,340)	(113,340)
	<u>(111,340)</u>	<u>(111,340)</u>	<u>(110,681)</u>
Income Before Transfers	925,470	925,470	96,710
Transfers Out	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>
Change in Net Position	<u>725,470</u>	<u>725,470</u>	(103,290)
Net Position - Beginning			<u>8,636,061</u>
Net Position - Ending			<u>8,532,771</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Police Pension - Pension Trust Fund

**Schedule of Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2015**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 1,402,000	1,402,000	1,402,000
Contributions - Plan Members	281,000	281,000	327,215
Total Contributions	<u>1,683,000</u>	<u>1,683,000</u>	<u>1,729,215</u>
Investment Income			
Interest Earned	600,000	600,000	446,739
Net Change in Fair Value	-	-	585,546
	<u>600,000</u>	<u>600,000</u>	<u>1,032,285</u>
Less Investment Expenses	(70,000)	(70,000)	(57,155)
Net Investment Income	<u>530,000</u>	<u>530,000</u>	<u>975,130</u>
Total Additions	<u>2,213,000</u>	<u>2,213,000</u>	<u>2,704,345</u>
Deductions			
Administration	45,625	45,625	13,796
Benefits and Refunds	2,180,400	2,180,400	1,964,302
Total Deductions	<u>2,226,025</u>	<u>2,226,025</u>	<u>1,978,098</u>
Change in Net Position	<u>(13,025)</u>	<u>(13,025)</u>	726,247
Net Position - Beginning			<u>18,219,690</u>
Net Position - Ending			<u><u>18,945,937</u></u>

SUPPLEMENTAL SCHEDULES

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

**Illinois Finance Authority Loan Payable of 2009
April 30, 2015**

Date of Issue	May 9, 2009
Date of Maturity	May 9, 2029
Authorized Issue	\$250,000
Interest Rate	Non-Interest Bearing
Principal Maturity Date	May 9
Payable at	Office of the State Fire Marshal

CURRENT AND LONG-TERM PRINCIPAL REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>
2016	\$ 12,500
2017	12,500
2018	12,500
2019	12,500
2020	12,500
2021	12,500
2022	12,500
2023	12,500
2024	12,500
2025	12,500
2026	12,500
2027	12,500
2028	12,500
2029	12,500
2030	12,500
	<u>187,500</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

**Oshkosh Capital Loan Payable of 2010
April 30, 2015**

Date of Issue	August 13, 2010
Date of Maturity	August 13, 2020
Authorized Issue	\$592,652
Interest Rate	4.00%
Principal Maturity Date	August 13
Payable at	Oshkosh Capital

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2016	\$ 57,476	17,717	75,193
2017	60,109	15,084	75,193
2018	62,862	12,331	75,193
2019	65,741	9,452	75,193
2020	68,752	6,441	75,193
2021	71,900	3,293	75,193
	<u>386,840</u>	<u>64,318</u>	<u>451,158</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

Loan Payable of 2012

April 30, 2015

Date of Issue	July 20, 2012
Date of Maturity	July 20, 2015
Authorized Issue	\$100,000
Interest Rate	3.25%
Principal Maturity Date	July 20
Payable at	Republic Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2016	\$ 33,332	1,098	34,430

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

Cook County Intergovernmental Agreement of 2014
April 30, 2015

Date of Issue	May 1, 2014
Date of Maturity	May 1, 2018
Authorized Issue	\$2,511,211
Interest Rate	Non-Interest Bearing
Principal Maturity Date	May 1
Payable at	Cook County Treasurer

CURRENT AND LONG-TERM PRINCIPAL REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	
2016	\$ 500,000	
2017	500,000	
2018	500,000	
2019	<u>511,212</u>	
	<u>2,011,212</u>	
	804,040	Debt Service
	<u>1,207,172</u>	Water and Sewer
	<u>2,011,212</u>	

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2011A
April 30, 2015**

Date of Issue	November 1, 2011
Date of Maturity	December 1, 2017
Authorized Issue	\$2,325,000
Denomination of Bonds	\$5,000
Interest Rate	2.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank, N.A.

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2016	\$ 390,000	24,000	414,000
2017	400,000	16,200	416,200
2018	410,000	8,200	418,200
	<u>1,200,000</u>	<u>48,400</u>	<u>1,248,400</u>

Note: Repayment of these bonds comes 25% from the Debt Service Fund and 75% from the Northeast Industrial District Tax Increment Financing Fund.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2011B
April 30, 2015

Date of Issue	November 1, 2011
Date of Maturity	December 1, 2017
Authorized Issue	\$2,090,000
Denomination of Bonds	\$5,000
Interest Rate	2.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank, N.A.

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2016	\$ 355,000	21,700	376,700
2017	360,000	14,600	374,600
2018	370,000	7,400	377,400
	<u>1,085,000</u>	<u>43,700</u>	<u>1,128,700</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

**Illinois Environmental Protection Agency Loan Payable of 2008
April 30, 2015**

Date of Issue	December 17, 2008
Date of Maturity	June 17, 2028
Authorized Issue	\$5,718,966
Interest Rate	2.50%
Principal Maturity Date	June 17 and December 17
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 273,528	106,628	380,156
2017	280,409	99,747	380,156
2018	287,463	92,693	380,156
2019	294,695	85,461	380,156
2020	302,108	78,048	380,156
2021	309,708	70,448	380,156
2022	317,500	62,656	380,156
2023	325,486	54,670	380,156
2024	333,674	46,482	380,156
2025	342,068	38,088	380,156
2026	350,673	29,482	380,155
2027	359,495	20,661	380,156
2028	368,539	11,617	380,156
2029	187,731	2,347	190,078
	4,333,077	799,028	5,132,105

STATISTICAL SECTION (Unaudited)

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
April 30, 2015 (Unaudited)

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Net Position by Component - Last Ten Fiscal Years*
April 30, 2015 (Unaudited)**

	2006	2007	2008
Governmental Activities			
Net Investment in Capital Assets	\$ 15,779,615	17,044,916	19,075,136
Restricted	4,622,786	6,301,033	6,052,311
Unrestricted	6,857,236	7,986,055	8,921,742
Total Governmental Activities Net Position	27,259,637	31,332,004	34,049,189
Business-Type Activities			
Net Investment in Capital Assets	6,055,461	6,254,185	7,859,971
Restricted	-	-	-
Unrestricted	2,507,933	2,251,419	832,538
Total Business-Type Activities Net Position	8,563,394	8,505,604	8,692,509
Primary Government			
Net Investment in Capital Assets	21,835,076	23,299,101	26,935,107
Restricted	4,622,786	6,301,033	6,052,311
Unrestricted	9,365,169	10,237,474	9,754,280
Total Primary Government Net Position	35,823,031	39,837,608	42,741,698

* Accrual Basis of Accounting

Data Source: Village Records

2009	2010	2011	2012	2013	2014	2015
20,057,662	21,129,264	24,011,361	25,625,635	26,637,660	27,626,486	28,404,391
7,642,939	8,516,994	7,664,671	11,211,585	12,260,925	12,353,691	12,637,469
9,054,630	9,618,838	10,140,308	7,590,556	8,193,496	9,402,780	9,965,159
36,755,231	39,265,096	41,816,340	44,427,776	47,092,081	49,382,957	51,007,019
7,998,375	7,097,003	6,177,316	6,576,698	6,521,402	6,299,012	6,248,147
-	-	240,000	-	-	-	-
990,528	1,387,413	2,156,907	1,969,054	2,144,850	2,337,049	2,284,624
8,988,903	8,484,416	8,574,223	8,545,752	8,666,252	8,636,061	8,532,771
28,056,037	28,226,267	30,188,677	32,202,333	33,159,062	33,925,498	34,652,538
7,642,939	8,516,994	7,904,671	11,211,585	12,260,925	12,353,691	12,637,469
10,045,158	11,006,251	12,297,215	9,559,610	10,338,346	11,739,829	12,249,783
45,744,134	47,749,512	50,390,563	52,973,528	55,758,333	58,019,018	59,539,790

VILLAGE OF LINCOLNWOOD, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years*
April 30, 2015 (Unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental Activities										
General Government	\$ 7,618,900	7,942,459	8,310,374	7,717,680	8,543,683	8,368,482	8,425,153	8,584,081	8,575,330	7,684,121
Public Safety	8,375,529	8,751,570	9,515,472	9,396,466	8,743,302	8,854,696	9,309,941	9,211,302	9,406,734	9,588,612
Public Works	1,930,369	2,060,518	2,266,360	2,141,803	2,092,928	2,182,058	2,307,646	2,372,041	2,759,369	3,659,649
Interest on Long-Term Debt	650,115	573,106	485,310	427,695	369,448	345,551	274,942	169,973	132,128	87,897
Total Governmental Activities Expenses	18,574,913	19,327,653	20,577,516	19,683,644	19,749,361	19,750,787	20,317,682	20,337,397	20,873,561	21,020,279
Business-Type Activities										
Water and Sewer	2,222,548	2,259,393	2,258,816	2,188,047	3,010,490	3,317,525	3,290,392	3,719,065	4,012,613	4,062,562
Total Business-Type Activities Expenses	2,222,548	2,259,393	2,258,816	2,188,047	3,010,490	3,317,525	3,290,392	3,719,065	4,012,613	4,062,562
Total Primary Government Expenses	20,797,461	21,587,046	22,836,332	21,871,691	22,759,851	23,068,312	23,608,074	24,056,462	24,886,174	25,082,841
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	1,387,635	1,529,905	1,660,102	1,813,687	1,859,319	2,023,209	1,731,344	1,841,064	1,804,892	1,736,500
Public Safety	1,356,398	1,385,084	965,460	1,087,079	917,706	1,065,490	1,575,783	1,532,619	1,555,281	1,498,731
Public Works	56,254	40,844	3,792	4,605	2,858	733	-	-	-	-
Operating Grants/Contributions	50,000	166,000	751,563	304,282	80,817	602,356	105,533	250,393	347,483	205,573
Capital Grants/Contributions	-	-	-	-	-	-	388,795	392,023	104,024	182,199
Total Governmental Activities Program Revenues	2,850,287	3,121,833	3,380,917	3,209,653	2,860,700	3,691,788	3,801,455	4,016,099	3,811,680	3,623,003
Business-Type Activities										
Charges for Services										
Water and Sewer	2,514,420	2,181,794	2,474,138	2,508,912	2,639,221	3,576,490	3,455,950	4,035,302	4,163,619	4,156,613
Total Business-Type Activities Program Revenues	2,514,420	2,181,794	2,474,138	2,508,912	2,639,221	3,576,490	3,455,950	4,035,302	4,163,619	4,156,613
Total Primary Government Program Revenues	5,364,707	5,303,627	5,855,055	5,718,565	5,499,921	7,268,278	7,257,405	8,051,401	7,975,299	7,779,616
Net (Expense) Revenue										
Governmental Activities	(15,724,626)	(16,205,820)	(17,196,599)	(16,473,991)	(16,888,661)	(16,058,999)	(16,516,227)	(16,321,298)	(17,061,881)	(17,397,276)
Business-Type Activities	291,872	(77,599)	215,322	320,865	(371,269)	258,965	165,558	316,237	151,006	94,051
Total Primary Government Net (Expense) Revenue	(15,432,754)	(16,283,419)	(16,981,277)	(16,153,126)	(17,259,930)	(15,800,034)	(16,350,669)	(16,005,061)	(16,910,875)	(17,303,225)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	\$ 7,328,180	6,682,802	6,688,546	6,960,014	8,124,554	6,699,698	7,612,055	6,516,497	6,879,900	6,227,314
Utility	1,890,680	1,694,638	1,766,707	1,682,754	1,595,804	1,601,218	1,546,490	1,545,378	1,565,985	1,482,244
Intergovernmental - Unrestricted										
State Sales, Income Taxes and Use Taxes	8,852,947	9,705,050	9,545,382	9,072,290	8,099,811	8,681,973	8,448,621	8,683,316	8,860,471	9,045,745
Replacement Taxes	139,695	155,270	171,151	150,040	124,581	153,684	135,608	143,399	150,349	157,314
Other	509,584	927,833	575,230	507,724	866,145	872,480	799,404	1,330,642	1,339,288	1,337,757
Interest	315,365	630,637	584,477	222,002	200,209	238,760	196,040	152,448	176,067	186,750
Miscellaneous	250,480	331,957	432,291	435,209	212,422	187,430	189,445	413,923	180,697	384,214
Transfers	150,000	150,000	150,000	150,000	175,000	175,000	200,000	200,000	200,000	200,000
Total Governmental Activities	19,436,931	20,278,187	19,913,784	19,180,033	19,398,526	18,610,243	19,127,663	18,985,603	19,352,757	19,021,338
Business-Type Activities										
Interest	107,531	169,809	121,583	125,529	41,782	5,842	5,971	4,263	2,653	2,659
Miscellaneous	-	-	-	-	-	-	-	-	16,150	-
Transfers	(150,000)	(150,000)	(150,000)	(150,000)	(175,000)	(175,000)	(200,000)	(200,000)	(200,000)	(200,000)
Total Business-Type Activities	(42,469)	19,809	(28,417)	(24,471)	(133,218)	(169,158)	(194,029)	(195,737)	(181,197)	(197,341)
Total Primary Government General Revenue	19,394,462	20,297,996	19,885,367	19,155,562	19,265,308	18,441,085	18,933,634	18,789,866	19,171,560	18,823,997
Changes in Net Position										
Governmental Activities	3,712,305	4,072,367	2,717,185	2,706,042	2,509,865	2,551,244	2,611,436	2,664,305	2,290,876	1,624,062
Business-Type Activities	249,403	(57,790)	186,905	296,394	(504,487)	89,807	(28,471)	120,500	(30,191)	(103,290)
Total Primary Government	3,961,708	4,014,577	2,904,090	3,002,436	2,005,378	2,641,051	2,582,965	2,784,805	2,260,685	1,520,772

* Accrual Basis of Accounting

Data Source: Village Records

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years*
April 30, 2015 (Unaudited)**

	2006	2007	2008
General Fund			
Reserved	\$ 14,055	2,407	2,407
Unreserved	8,003,553	8,868,659	9,272,816
Nonspendable	-	-	-
Unassigned	-	-	-
Total General Fund	8,017,608	8,871,066	9,275,223
All Other Governmental Funds			
Reserved	4,622,786	6,301,033	6,052,311
Unreserved, Reported in,			
Special Revenue Funds	618,119	1,072,217	1,409,348
Debt Service Funds	1,959	5,428	6,629
Capital Projects Funds	-	1,213	9,244
Restricted	-	-	-
Unassigned	-	-	-
Total All Other Governmental Funds	5,242,864	7,379,891	7,477,532

* Modified Accrual Basis of Accounting

Data Source: Village Records

The Village implemented GASB No. 54 for the fiscal year ended April 30, 2012.

2009	2010	2011	2012	2013	2014	2015
625	400,625	150,478	-	-	-	-
9,158,204	8,914,733	9,805,693	-	-	-	-
-	-	-	511,884	408,967	435,356	142,887
-	-	-	9,047,480	9,370,395	10,206,133	10,639,883
9,158,829	9,315,358	9,956,171	9,559,364	9,779,362	10,641,489	10,782,770
7,642,939	8,516,994	7,664,671	-	-	-	-
1,778,703	2,084,554	1,632,933	-	-	-	-
-	453	703	-	-	-	-
17,842	18,102	485,611	-	-	-	-
-	-	-	11,221,347	12,270,687	12,363,453	12,647,231
-	-	-	(103,757)	(59,987)	(63,017)	(106,302)
9,439,484	10,620,103	9,783,918	11,117,590	12,210,700	12,300,436	12,540,929

VILLAGE OF LINCOLNWOOD, ILLINOIS

Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years*
April 30, 2015 (Unaudited)

	2006	2007	2008
Revenues			
Taxes	\$ 18,752,520	19,276,245	19,220,739
Licenses, Permits and Fees	1,133,783	1,082,324	973,929
Intergovernmental - Grants	273,847	605,242	544,027
Charges for Services	1,266,843	1,408,827	1,458,500
Fines and Forfeitures	215,016	213,138	189,514
Interest	315,365	630,637	575,803
Miscellaneous	181,260	33,607	195,026
Total Revenues	22,138,634	23,250,020	23,157,538
Expenditures			
Current			
General Government	3,862,274	3,770,594	3,974,785
Public Safety	8,133,617	8,673,850	9,325,358
Public Works	962,417	1,224,594	1,266,245
Culture and Recreation	1,885,454	1,984,619	2,071,540
Sanitation	881,787	910,548	917,168
Economic Development	789,831	804,893	872,154
Capital Outlay	573,321	405,038	2,058,126
Debt Service			
Principal Retirement	1,818,700	2,088,232	1,850,000
Interest and Fiscal Charges	617,761	547,167	470,364
Total Expenditures	19,525,162	20,409,535	22,805,740
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,613,472	2,840,485	351,798
Other Financing Sources (Uses)			
Debt Issuance	-	-	-
Transfers In	1,015,129	449,038	1,055,240
Transfers Out	(865,129)	(299,038)	(905,240)
Total Other Financing Sources (Uses)	150,000	150,000	150,000
Net Change in Fund Balances	2,763,472	2,990,485	501,798
Debt Service as a Percentage of Noncapital Expenditures	12.90%	13.20%	11.20%

* Modified Accrual Basis of Accounting

Data Source: Village Records

2009	2010	2011	2012	2013	2014	2015
18,798,722	18,837,235	18,036,316	18,715,559	18,219,232	18,795,993	18,250,374
983,497	922,356	1,007,370	1,009,122	1,074,728	1,109,864	1,033,923
301,604	166,993	667,400	494,328	642,416	451,507	387,772
1,563,533	1,654,481	1,789,585	1,764,893	1,940,107	1,902,915	1,903,730
183,904	176,706	265,214	359,731	358,848	347,394	297,578
213,404	200,209	238,758	196,040	152,448	176,067	186,750
195,022	129,033	135,559	189,445	413,923	180,697	384,214
22,239,686	22,087,013	22,140,202	22,729,118	22,801,702	22,964,437	22,444,341
3,709,003	3,889,439	3,825,017	3,858,935	3,723,651	3,965,888	3,722,000
9,068,488	8,668,806	9,489,960	9,051,421	9,200,803	9,393,305	9,518,972
1,131,520	1,141,803	1,873,033	1,171,370	1,257,315	1,768,165	2,670,998
2,086,397	2,064,504	2,142,897	2,100,417	2,210,831	2,091,160	2,194,920
956,426	1,006,848	1,000,832	1,042,760	1,003,569	977,975	1,001,538
940,667	1,415,550	1,105,001	1,137,237	1,184,987	1,191,511	1,314,624
336,409	1,449,975	2,111,785	2,106,974	1,521,896	1,202,232	1,016,945
1,905,000	1,190,000	1,242,500	1,330,550	1,402,751	1,478,386	1,718,674
410,218	347,940	312,201	351,695	182,791	143,952	105,817
20,544,128	21,174,865	23,103,226	22,151,359	21,688,594	22,212,574	23,264,488
1,695,558	912,148	(963,024)	577,759	1,113,108	751,863	(820,147)
-	250,000	592,652	159,106	-	-	1,001,921
418,279	310,000	422,094	1,264,655	883,513	518,392	768,716
(268,279)	(135,000)	(247,094)	(1,064,655)	(683,513)	(318,392)	(568,716)
150,000	425,000	767,652	359,106	200,000	200,000	1,201,921
1,845,558	1,337,148	(195,372)	936,865	1,313,108	951,863	381,774
11.40%	7.90%	8.10%	8.37%	7.80%	7.76%	8.53%

VILLAGE OF LINCOLNWOOD, ILLINOIS

Sales Tax by Category - Last Ten Calendar Years
April 30, 2015 (Unaudited)

	2014		2013		2012		2011	
	Amount	% Change from Previous Year						
General Merchandise	\$ 328,058	(0.3%)	\$ 328,933	20.3%	\$ 273,486	(2.9%)	\$ 281,587	(19.3%)
Food	204,020	(45.7%)	375,458	(4.2%)	392,096	0.8%	388,828	14.3%
Drinking and Eating Places	482,730	6.8%	452,061	4.4%	433,003	11.5%	388,243	3.5%
Apparel	194,259	(3.0%)	200,338	(10.0%)	222,703	(4.1%)	232,302	(4.9%)
Furniture, Households and Radio	88,558	1.2%	87,519	14.3%	76,548	13.5%	67,414	(9.6%)
Lumber, Building and Hardware	220,960	1.5%	217,737	4.2%	208,967	(2.1%)	213,529	(6.6%)
Automotive Filing Stations	2,661,791	11.2%	2,392,776	0.3%	2,385,103	0.0%	2,384,220	14.6%
Drugs and Other Retail	516,760	(1.9%)	526,540	11.6%	471,864	15.7%	407,778	16.9%
Agriculture and Extractive	241,719	13.1%	213,816	(6.2%)	227,959	(4.3%)	238,146	(35.3%)
Manufacturers	80,379	2.0%	78,803	(41.9%)	135,689	1.0%	134,346	(19.3%)
	<u>5,019,234</u>	3.0%	<u>4,873,981</u>	1.0%	<u>4,827,418</u>	1.9%	<u>4,736,393</u>	3.5%
Village Statutory Allocated Sales Tax Rate	<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>	

Note: Sales Tax information for the calendar year 2014 is the most current available.

Data Source: Illinois Department of Revenue

2010		2009		2008		2007		2006		2005	
Amount	% Change from Previous Year										
\$ 349,013	(2.4%)	\$ 357,635	(7.7%)	\$ 387,343	(13.6%)	\$ 448,526	10.1%	\$ 407,383	(2.4%)	\$ 417,277	(0.4%)
340,290	0.2%	339,654	(3.8%)	352,895	7.5%	328,219	1.7%	322,803	(1.6%)	328,186	2.1%
375,025	(1.4%)	380,518	(9.4%)	420,113	2.9%	408,198	0.9%	404,746	(5.7%)	429,011	5.2%
244,264	0.6%	242,758	(11.5%)	274,233	(14.5%)	320,828	(2.4%)	328,715	(3.0%)	338,721	1.5%
74,594	(2.2%)	76,302	(17.4%)	92,403	(8.4%)	100,831	5.2%	95,852	(6.7%)	102,710	(37.9%)
228,726	(2.6%)	234,730	(15.2%)	276,899	(13.8%)	321,215	(13.8%)	372,716	5.2%	354,179	1,649.1%
2,080,078	14.0%	1,824,494	(17.1%)	2,201,509	(13.0%)	2,530,231	(8.2%)	2,754,935	17.5%	2,345,277	(2.3%)
348,743	(0.6%)	350,756	(6.7%)	375,877	(9.1%)	413,424	(0.6%)	415,789	3.1%	403,161	1.8%
367,963	(0.5%)	369,838	(13.6%)	428,148	(1.2%)	433,155	2.8%	421,297	(1.6%)	428,228	(9.2%)
166,420	17.1%	142,106	(12.0%)	161,443	21.6%	132,776	17.1%	113,343	5.8%	107,086	61.1%
<u>4,575,116</u>	5.9%	<u>4,318,791</u>	(13.1%)	<u>4,970,863</u>	(8.6%)	<u>5,437,403</u>	(3.6%)	<u>5,637,579</u>	7.3%	<u>5,253,836</u>	5.5%
<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>	

VILLAGE OF LINCOLNWOOD, ILLINOIS

Home Rule Sales Tax by Category - Last Ten Calendar Years
April 30, 2015 (Unaudited)

	2014		2013		2012		2011	
	Amount	% Change from Previous Year						
General Merchandise	\$ 327,862	(0.33%)	\$ 328,934	21.4%	\$ 270,971	0.1%	\$ 270,834	(22.4%)
Food	140,820	(24.35%)	186,143	(4.1%)	194,097	2.9%	188,624	63.3%
Drinking and Eating Places	479,509	6.74%	449,239	4.3%	430,734	11.5%	386,324	3.5%
Apparel	194,257	(3.04%)	200,339	(10.0%)	222,704	(4.1%)	232,285	(4.9%)
Furniture, Households and Radio	88,559	1.19%	87,521	14.3%	76,548	13.5%	67,414	(9.6%)
Lumber, Building and Hardware	220,540	1.63%	216,994	4.1%	208,436	(2.3%)	213,421	(6.4%)
Automotive Filing Stations	426,815	(7.13%)	459,580	2.6%	448,000	3.8%	431,588	52.8%
Drugs and Other Retail	329,188	(6.20%)	350,943	13.5%	309,144	11.5%	277,149	13.8%
Agriculture and Extractive	215,448	11.91%	192,520	(9.4%)	212,591	2.2%	208,091	(33.6%)
Manufacturers	77,353	2.00%	75,836	(43.7%)	134,729	1.0%	133,396	(13.4%)
	<u>2,500,351</u>	(1.87%)	<u>2,548,049</u>	1.6%	<u>2,507,954</u>	4.1%	<u>2,409,126</u>	1.3%
Village Home Rule Sales Tax Rate	<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>	

Note: Sales Tax information for the calendar year 2014 is the most current available.

Data Source: Illinois Department of Revenue

2010		2009		2008		2007		2006		2005	
Amount	% Change from Previous Year										
\$ 349,013	(2.4%)	\$ 357,635	(7.7%)	\$ 387,343	(13.6%)	\$ 448,322	10.3%	\$ 406,461	30.1%	\$ 312,305	16.6%
115,542	26.2%	91,548	2.4%	89,392	6.4%	84,035	4.5%	80,451	32.5%	60,715	28.1%
373,285	(1.3%)	378,311	(9.5%)	417,838	3.0%	405,782	1.1%	401,322	26.2%	317,956	26.8%
244,246	0.7%	242,561	(11.5%)	274,140	(14.5%)	320,751	(2.2%)	328,066	29.2%	254,011	20.1%
74,592	(2.2%)	76,305	(17.6%)	92,642	(8.1%)	100,830	7.5%	93,836	21.8%	77,028	(25.5%)
228,116	(2.3%)	233,600	(15.2%)	275,450	(14.2%)	321,061	(13.8%)	372,645	40.3%	265,635	1,761.1%
282,472	2.4%	275,854	(23.4%)	360,287	8.1%	333,171	(3.2%)	344,231	35.8%	253,549	31.3%
243,535	16.3%	209,486	(11.6%)	236,960	(14.2%)	276,254	(4.7%)	289,832	31.1%	221,009	19.4%
313,544	(10.6%)	350,667	(15.3%)	413,990	(0.9%)	417,766	2.6%	407,266	29.5%	314,385	10.7%
154,123	17.0%	131,713	(14.3%)	153,676	23.3%	124,618	16.5%	106,928	41.6%	75,536	117.5%
<u>2,378,468</u>	1.3%	<u>2,347,680</u>	(13.1%)	<u>2,701,718</u>	(4.6%)	<u>2,832,590</u>	0.1%	<u>2,831,038</u>	31.5%	<u>2,152,129</u>	35.9%
<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>		<u>0.75%</u>		<u>0.75%</u>	

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years (in Thousands)
April 30, 2015 (Unaudited)**

Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2005	\$ 418,689	\$ 72	\$ 170,461	\$ 99,733	\$ 19,948	\$ 669,007	0.679
2006	417,718	72	170,066	99,023	19,422	667,457	0.704
2007	575,648	128	189,630	84,606	27,833	822,179	0.586
2008	588,860	136	194,846	86,963	-	870,805	0.576
2009	596,660	49	183,818	76,573	-	857,100	0.585
2010	514,583	130	181,926	82,205	57	778,787	0.661
2011	464,664	49	155,217	73,887	N/A	693,817	0.753
2012	428,515	49	143,447	71,069	N/A	643,080	0.836
2013	368,229	49	134,578	70,450	N/A	573,306	0.954
2014	N/A	N/A	N/A	N/A	N/A	576,462	0.963

Data Source: Office of the County Clerk

Property in the Village is reassessed every three years.

N/A - Information is not available.

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2015 (Unaudited)**

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2015 (Unaudited)**

	2005	2006	2007
Village Direct Rates			
General	0.388	0.403	0.332
Police Pension	0.137	0.146	0.128
Special Recreation	-	-	-
Playgrounds and Recreation	0.154	0.155	0.126
Total Direct Rates	0.679	0.704	0.586
Overlapping Rates			
Lincolnwood Public Library	0.323	0.339	0.285
School District #74	2.697	2.807	2.348
High School District #219	2.007	2.374	2.114
Oakton Community College District #535	0.158	0.166	0.141
Niles Township	0.029	0.031	0.027
Niles Township General Assistance	0.002	0.003	0.003
North Shore Mosquito Abatement District	0.008	0.009	0.008
County of Cook	0.421	0.395	0.186
Cook County Health Facilities	0.112	0.105	0.093
Forest Preserve District of Cook County	0.060	0.057	0.053
Cook County Consolidated Elections	0.014	-	0.012
Cook County Public Safety	-	-	0.167
Suburban Cook County T.B. Sanitarium District	0.005	0.005	-
Metro Water Reclamation District of Greater Chicago	0.315	0.284	0.263
Total Overlapping Rates	6.151	6.575	5.700
Total Direct and Overlapping Rates	6.830	7.279	6.286

Data Source: Office of the County Clerk

Note: Rates are per \$100 of Assessed Value

2008	2009	2010	2011	2012	2013	2014
0.327	0.328	0.366	0.395	0.450	0.522	0.541
0.130	0.137	0.165	0.210	0.226	0.252	0.243
0.013	0.013	0.015	0.016	0.018	0.020	0.019
0.106	0.107	0.115	0.132	0.143	0.160	0.160
0.576	0.585	0.661	0.753	0.836	0.954	0.963
0.280	0.286	0.289	0.330	0.368	0.421	0.426
2.313	2.363	2.666	3.034	3.366	3.383	3.421
2.120	2.267	2.538	2.904	3.256	3.707	3.650
0.140	0.140	0.160	0.196	0.219	0.256	0.258
0.027	0.029	0.032	0.037	0.042	0.049	0.050
0.003	0.003	0.004	0.005	0.006	0.007	0.007
0.008	0.008	0.009	0.010	0.010	0.007	0.011
0.224	0.203	0.228	0.223	0.287	0.275	0.296
0.086	0.086	0.082	0.078	0.063	0.066	0.031
0.051	0.049	0.051	0.058	0.063	0.069	0.069
-	0.021	-	0.025	-	0.031	-
0.105	-	0.113	0.161	0.181	0.219	0.241
-	0.105	-	-	-	-	-
0.252	0.261	0.274	0.320	0.370	0.417	0.430
5.609	5.821	6.446	7.381	8.231	8.907	8.890
6.185	6.406	7.107	8.134	9.067	9.861	9.853

VILLAGE OF LINCOLNWOOD, ILLINOIS

Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
 April 30, 2015 (Unaudited)

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Simon Property Group (formerly Syndicated Equities)	\$ 30,342,975	1	5.29%	\$ 30,833,352	1	4.61%
Puig Holding Co.	8,990,991	2	1.57%	6,837,816	7	1.02%
WLH Lincolnwood LLC	7,541,894	3	1.32%			
Grossprops Assoc.	7,370,544	4	1.29%	10,564,348	2	1.58%
Joe Koenig	5,081,305	5	0.89%			
Lowes Companies	5,050,736	6	0.88%	9,430,940	3	1.41%
MCRIL LLC	5,041,805	7	0.88%			
Loeber Motors Corp	4,582,003	8	0.80%	6,794,490	8	1.02%
Country Fresh Market (formerly Safe Way, Inc.)				5,637,130	10	1.02%
Kohls	3,815,420	9	0.67%			
Bryn Mawr Country Club	3,737,932	10	0.65%			
Centerpoint Prop Trust				8,175,312	4	1.22%
McRaes Inc.				7,639,940	5	1.14%
Senior Lifestyle Corp.				7,338,512	6	1.10%
Imperial Realty				5,774,894	9	0.86%
	<u>81,555,605</u>		<u>14.23%</u>	<u>99,026,734</u>		<u>14.98%</u>

Data Source: Office of the County Clerk and Assessor's Office

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Property Tax Levies and Collections - Last Ten Fiscal Years
April 30, 2015 (Unaudited)**

Fiscal Year	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2006	2005	\$ 4,542,380	\$ -	0.00%	\$ 4,477,807	\$ 4,477,807	98.58%
2007	2006	4,698,899	4,640,292	98.75%	-	4,640,292	98.75%
2008	2007	4,817,971	-	0.00%	4,729,420	4,729,420	98.16%
2009	2008	5,008,652	-	0.00%	4,942,904	4,942,904	98.69%
2010	2009	5,014,344	2,379,592	47.46%	2,526,706	4,906,298	97.85%
2011	2010	5,148,487	2,653,434	51.54%	2,456,162	5,109,596	99.24%
2012	2011	5,224,442	2,657,978	50.88%	2,479,071	5,137,049	98.33%
2013	2012	5,382,584	2,563,342	47.62%	2,765,655	5,328,997	99.00%
2014	2013	5,469,347	2,769,183	50.63%	2,610,222	5,379,405	98.36%
2015	2014	5,551,337	2,722,099	49.04%	-	2,722,099	49.04%

Data Source: Office of the County Clerk

Property in the Village is reassessed every three years. Property is assessed at 33% of actual value.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2015 (Unaudited)

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Loan Payable	Special Service Area Bonds	Loan Payable	IEPA Loan Payable			
2006	\$ 15,650,000	\$ -	\$ 313,233	\$ -	\$ -	\$ 15,963,233	3.60%	\$ 1,292
2007	13,875,000	-	-	-	-	13,875,000	3.13%	1,123
2008	12,025,000	-	-	-	1,992,021	14,017,021	3.16%	1,134
2009	10,120,000	-	-	-	4,371,277	14,491,277	3.27%	1,173
2010	8,930,000	250,000	-	-	4,992,058	14,172,058	3.19%	1,147
2011	7,662,129	830,152	-	-	5,361,696	13,853,977	2.82%	1,100
2012	6,405,878	869,602	-	-	5,114,044	12,389,524	2.52%	984
2013	5,078,564	806,851	-	-	4,860,162	10,745,577	2.19%	854
2014	3,705,000	708,465	-	-	4,599,893	9,013,358	1.84%	716
2015	2,285,000	1,411,712	-	1,207,172	4,333,077	9,236,961	1.88%	734

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
April 30, 2015 (Unaudited)**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2006	\$ 15,650,000	\$ -	\$ 15,650,000	2.34%	\$ 1,266
2007	13,875,000	-	13,875,000	2.08%	1,123
2008	12,025,000	-	12,025,000	1.46%	973
2009	10,120,000	-	10,120,000	1.16%	819
2010	8,930,000	-	8,930,000	1.04%	723
2011	7,662,129	-	7,662,129	0.98%	609
2012	6,405,878	-	6,405,878	0.92%	509
2013	5,078,564	-	5,078,564	0.79%	403
2014	3,705,000	-	3,705,000	0.65%	294
2015	2,285,000	-	2,285,000	0.40%	181

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Schedule of Direct and Overlapping Governmental Activities Debt
April 30, 2015 (Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Village*	Village's Share of Debt
Village - Payable from Property Taxes	\$ 3,696,712	100.000%	\$ 3,696,712
Overlapping Debt			
Cook County - Including Forest Preserve	3,639,373,000	0.450%	16,377,179
Metropolitan Water Reclamation District	2,033,461,649 (1)	0.459%	9,333,589
School District #74	-	100.000%	-
School District #219	146,696,231 (2)	16.336%	23,964,296
Oakton Community College #535	35,370,000	3.009%	1,064,283
Total Overlapping Debt	5,854,900,880		50,739,347
Total Direct and Overlapping Debt	5,858,597,592		54,436,059

Data Source: Cook County Tax Extension Department

* Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

Notes:

(1) Includes Illinois EPA Revolving Loan Bonds

(2) Includes original principal and interest amounts of outstanding General Obligation Capital Appreciation Bonds

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years
April 30, 2015 (Unaudited)**

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years
April 30, 2015 (Unaudited)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>
Issuing Body			
Direct (Locally Imposed)			
Village of Lincolnwood	1.00%	1.00%	1.00%
Village of Lincolnwood Home Rule	1.00%	1.00%	1.00%
Total Direct Rates	<u>2.00%</u>	<u>2.00%</u>	<u>2.00%</u>
Overlapping (State Imposed)			
State of Illinois	5.00%	5.00%	5.00%
Cook County	1.00%	1.00%	1.00%
RTA	0.75%	0.75%	1.00%
Total Overlapping Rates	<u>6.75%</u>	<u>6.75%</u>	<u>7.00%</u>
Total Direct and Overlapping Rates	<u>8.75%</u>	<u>8.75%</u>	<u>9.00%</u>

Data Source: Illinois Department of Revenue

2009	2010	2011	2012	2013	2014	2015
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
2.00%	2.00%	1.50%	1.25%	1.00%	1.00%	1.00%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
8.00%	8.00%	7.50%	7.25%	7.00%	7.00%	7.00%
10.00%	10.00%	9.50%	9.25%	9.00%	9.00%	9.00%

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Retailers' Occupation, Service Occupation and Use Tax Distribution - Last Ten Fiscal Years
April 30, 2015 (Unaudited)**

Fiscal Year	State Sales Tax Distributions	Annual Change	
		Amount	Percentage
2006	\$ 8,247,728	\$ 1,433,294	21.03%
2007	8,634,119	386,391	4.68%
2008	8,383,508	(250,611)	(2.90%)
2009	7,580,207	(803,301)	(9.58%)
2010	6,759,593	(820,614)	(10.83%)
2011	7,303,975	544,382	8.05%
2012	7,373,902	69,927	0.96%
2013	7,502,274	128,372	1.74%
2014	7,443,297	(58,977)	(0.79%)
2015	7,504,348	61,051	0.82%

Data Source: State of Illinois

VILLAGE OF LINCOLNWOOD, ILLINOIS

Schedule of Legal Debt Margin April 30, 2015 (Unaudited)

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

The Village has a legal debt limitation not to exceed 8.625% of the total equalized assessed valuation of the taxable property within the Village boundaries. This means that the total of bonds, notes, warrants of any other type of general obligation issued or outstanding will not be greater than 8.625%. The following types of obligations are not considered in determining the debt limitations: certain revenue bonds, special assessment bonds, special service area bonds, and alternative revenue bonds.

At April 30, 2015 the Village has \$2,285,000 of general obligation bonds outstanding. Under current state statute, the Village's general obligation bonded debt issuances are subject to a legal limitation based on \$576,462,779 of total assessed value of real property. As of April 30, 2015, the Village's general obligation bonded debt, applicable to the debt limit of \$2,285,000 was well below the legal limit of \$49,719,915.

Data Source: Village Records

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Demographic and Economic Statistics - Last Ten Fiscal Years
April 30, 2015 (Unaudited)**

Fiscal Year	Population (1)	Estimated Personal Income	Per Capita Personal Income (1)	Unemployment Rate (2)	
				Village	State
2006	12,359	\$ 443,824,049	\$ 35,911	2.30%	5.70%
2007	12,359	443,824,049	35,911	4.00%	5.50%
2008	12,359	443,824,049	35,911	5.50%	7.30%
2009	12,359	443,824,049	35,911	6.00%	10.50%
2010	12,359	443,824,049	35,911	7.20%	10.30%
2011	12,590	491,161,080	39,012	6.80%	9.80%
2012	12,590	491,161,080	39,012	6.50%	8.60%
2013	12,590	491,161,080	39,012	5.20%	7.10%
2014	12,590	491,161,080	39,012	N/A	N/A
2015	12,590	491,161,080	39,012	N/A	N/A

Data Source:

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

(2) Illinois Department of Labor, Illinois Department of Commerce and Economic Opportunity and Northeastern Illinois Planning Commission

The U.S. Department of Commerce, Bureau of Census defines personal income as a measure of income received from all sources by residents of the Village during a calendar year.

N/A - Not Available

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Construction - Last Ten Fiscal Years
April 30, 2015 (Unaudited)**

Fiscal Year	Commercial Construction		Residential Construction		Other Construction Alterations, Etc.	
	Number of Units	Property Value	Number of Units	Property Value	Number of Permits	Property Value
2006	2	N/A	20	N/A	535	N/A
2007	N/A	N/A	21	10,450,900	694	17,955,436
2008	1	818,004	8	6,989,300	817	12,832,731
2009	N/A	N/A	4	3,724,600	943	10,446,483
2010	N/A	N/A	1	567,000	829	10,459,481
2011	N/A	N/A	N/A	N/A	869	13,856,843
2012	4	1,524,154	3	2,457,029	1,056	14,867,739
2013	-	-	5	3,484,700	707	11,575,025
2014	2	2,580,916	4	3,122,250	965	14,109,942
2015	-	-	5	3,744,549	887	12,710,383

Data Source: Village's Building Department Records

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2015 (Unaudited)**

Employer	2015			2006		
	Employees	Rank	Percentage of Total Village Population	Employees	Rank	Percentage of Total Village Population
ATF	250	1	1.99%	N/A	N/A	N/A
Carson Pirie Scott	171	2	1.36%	N/A	N/A	N/A
Lincolnwood Place	145	3	1.15%	N/A	N/A	N/A
Grossinger Autoplex	135	4	1.07%	N/A	N/A	N/A
Loeber Motors	122	5	0.97%	N/A	N/A	N/A
Lowe's	119	6	0.95%	N/A	N/A	N/A
Trim Tex	119	7	0.95%	N/A	N/A	N/A
Kohl's	112	8	0.89%	N/A	N/A	N/A
Olive Garden	104	9	0.83%	N/A	N/A	N/A
Publications Internatioanl	80	10	0.64%	N/A	N/A	N/A
	<u>1,357</u>		<u>10.78%</u>	<u>N/A</u>		<u>N/A</u>

Data Source: Village Community Development Department Records and U.S. Census Bureau.

N/A - Information is not available for nine fiscal years ago.

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
April 30, 2015 (Unaudited)**

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
April 30, 2015 (Unaudited)**

	2006	2007	2008
General Government			
Executive	9	9	9
Administration	5.5	5.5	5.5
Finance	5	5	5
Public Safety			
Police			
Sworn	33	33	33
Non-Sworn	13	13	13
Fire			
Sworn*	-	-	-
Non-Sworn	1	1	1
Building	5.5	5.5	5.5
Village Services			
Community Development	1	1	1
Public Works	21.75	23.5	23.5
Parks and Recreation	9.25	11.5	11.5
Total	104.0	108.0	108.0

Data Source: Village Records

* The Village contracts for Fire and EMS Services.

2009	2010	2011	2012	2013	2014	2015
9	9	9	9	9	9	9
5.5	5	5	5	5	5	5
5	5	5	5	5	5	5
33	32	32	32	32	32	33
13	13	12.5	12.5	12.5	12.5	12
-	-	-	-	-	-	-
1	1	1	1	1	1	1
4.5	-	-	-	-	-	-
1	4	4	4	4	4	4.5
22.5	22.5	22.5	22.5	22.5	22.5	23.0
11.5	11.5	10.5	10.5	10.5	10.5	10.0
106.0	103.0	101.5	101.5	101.5	101.5	102.5

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2015 (Unaudited)**

	2006	2007	2008
General Government			
Building and Zoning			
Permits Issued	765	849	827
Inspections Conducted	2,750	3,250	2,217
Contractors Licenses Issued	972	980	950
Business Licenses Issued	192	193	220
Legal Notices Published	21	18	18
Personnel			
Employment Exams Given	3	12	68
Full-Time Employees Hired	5	9	10
Part-Time/Seasonal Employees Hired	12	10	198
Legal			
Ordinances Written	36	38	68
Resolutions Written	55	52	78
Vehicles			
Vehicles Replaced	3	5	3
Public Safety			
Police			
Part I Offenses	697	579	555
Part II Offenses	1,438	1,268	1,530
Traffic Accidents	958	731	804
Criminal Arrests	841	701	868
Total Calls for Service	12,571	12,135	13,945
Fire			
EMS Related Incidents	1,190	1,155	1,195
Structural Fire Incidents	15	11	13
Other Fire and Rescue Incidents	476	472	457
Hazardous Materials Incidents	32	23	37
All Other Received	156	121	165
Mutual Aid Received	20	28	25
Mutual Aid Given	27	21	39
Total Incidents	1,869	1,782	1,931
Highways and Streets			
Complete Sweeps of the Village	10	10	10
Tons of Salt Used	800	850	688
Reconstruction by Contractor (Feet)	-	-	-
Tons of Asphalt Installed	150	140	62
Public Service			
Waterworks and Sewerage Systems			
Metered Customers	4,179	4,191	4,207
Gallons of Water Delivered to Residences and Businesses (Thousands of Gallons)	744,500	630,843	624,556
Feet of Sanitary Sewer Televised	600	4,200	-
Feet of Sanitary Sewer Cleaned	6,000	4,000	400
Water Meters Installed	40	50	200

Data Source: Village Departments

2009	2010	2011	2012	2013	2014	2015
949	822	869	861	801	971	920
1,932	1,390	1,336	1,337	1,398	1,239	1,450
682	339	599	499	557	560	506
340	416	505	406	559	602	613
25	25	26	23	25	19	25
83	83	-	46	-	86	67
9	5	3	7	7	19	8
166	109	187	180	180	180	180
46	69	61	53	59	47	64
74	44	74	79	60	64	58
3	3	3	4	5	5	8
625	500	496	576	748	575	444
1,314	827	1,047	1,394	1,071	978	1,260
810	897	948	851	897	818	853
886	808	957	946	1,177	725	835
12,978	18,128	20,118	20,688	21,449	18,228	21,881
1,276	1,262	1,264	1,263	1,416	1,338	1,365
9	38	18	7	13	12	10
10	291	26	23	23	24	39
28	63	30	18	52	20	26
685	293	645	570	585	682	584
70	24	28	26	27	16	35
43	32	36	41	33	39	50
2,066	1,947	1,983	1,948	2,089	2,131	2,109
10	10	10	10	10	10	10
600	600	800	800	800	1,000	750
-	-	-	4,625	-	-	-
150	700	200	500	700	900	800
4,215	4,232	4,226	4,228	4,228	4,228	4,223
577,695	508,073	529,871	483,640	500,000	498,000	447,000
-	235,000	-	500	1,000	1,500	1,000
100,000	500	57,000	57,000	57,000	50,000	55,000
4,500	10	40	30	50	100	35

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2015 (Unaudited)**

	2006	2007	2008
General Government			
Land, General (acres)	47	47	47
Land, Right of Way (acres)	352	352	352
Buildings	3	3	3
Vehicles	2	-	-
Public Safety			
Police			
Land (acres)	1	1	1
Buildings	1	1	1
Vehicles	20	20	20
Fire			
Land (acres)	1	1	1
Buildings	1	1	1
Vehicles	11	12	12
Public Works			
Land (acres)	3	3	3
Streets (lane miles)	35	35	35
Buildings	1	1	1
Vehicles	28	29	29
Enterprise			
Land (acres)	3.5	3.5	3.5
Combined Sanitary/Storm (miles)	59	59	59
Water Mains (miles)	53	53	53
Buildings	1	1	1
Vehicles	15	17	17

Data Source: Various Village Departments

2009	2010	2011	2012	2013	2014	2015
47	47	47	47	47	47	47
352	352	352	352	352	352	352
3	3	3	3	3	3	3
-	-	-	-	-	-	-
1	1	1	1	1	1	1
1	1	1	1	1	1	1
20	20	19	19	19	22	26
1	1	1	1	1	1	1
1	1	1	1	1	1	1
12	12	13	13	12	12	13
3	3	3	3	3	3	3
35	35	35	35	35	35	35
1	1	1	1	1	1	19
29	29	29	29	29	29	26
35	35	35	35	35	35	35
59	59	59	59	59	59	59
53	53	53	53	53	53	53
1	1	1	1	1	1	1
17	17	17	17	17	17	17

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Surety Bonds of Principal Officials
April 30, 2015 (Unaudited)**

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

Data Source: Village Records