

STATE OF ILLINOIS
COMPTROLLER
LESLIE GEISSLER MUNGER

| | | | |
|-----------------------|-----------------------|------------------------|-----------|
| Name of Municipality: | Village of Romeoville | Reporting Fiscal Year: | 2015 |
| County: | Will | Fiscal Year End: | 4/30/2015 |
| Unit Code: | 099/107/32 | | |

TIF Administrator Contact Information

| | | | | | |
|-------------|-------------------|-------------|---------------------------------------|--------|--------------------------------|
| First Name: | Kirk | Last Name: | Village Treasurer | | |
| Address: | 1050 W. Romeo Rd. | Title: | Romeoville | Zip: | 60446 |
| Telephone: | (815) 886-5250 | City: | kopenchowski@romeoville.org | | |
| Mobile | (815) 378-5651 | E-mail- | <input checked="" type="checkbox"/> X | Email | <input type="checkbox"/> Phone |
| | | required | <input type="checkbox"/> | Mobile | <input type="checkbox"/> Mail |
| Mobile | | Best way to | <input type="checkbox"/> | Email | <input type="checkbox"/> Phone |
| Provider | Verizon Wireless | contact | <input type="checkbox"/> | Mobile | <input type="checkbox"/> Mail |

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of

is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

Phil O'neill

10-12-15

Written signature of TIF Administrator

Date _____

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTRICT[illegible]

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

FY 2015

| | |
|---|--|
| Name of Redevelopment Project Area: | Romeo Road Redevelopment |
| Primary Use of Redevelopment Project Area*: | Retail |
| If "Combination/Mixed" List Component Types: | |
| Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one): | |
| Tax Increment Allocation Redevelopment Act <input checked="" type="checkbox"/> | Industrial Jobs Recovery Law <input type="checkbox"/> |

| | No | Yes |
|---|----|-----|
| Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment labeled Attachment A | X | |
| Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification labeled Attachment B | | X |
| Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion labeled Attachment C | | X |
| Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement labeled Attachment D | | X |
| Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) labeled Attachment E | X | |
| Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information labeled Attachment F | X | |
| Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G | X | |
| Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report labeled Attachment H | X | |
| Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose the Official Statement labeled Attachment I | | X |
| Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If yes, please enclose the Analysis labeled Attachment J | | X |
| Cumulatively, have deposits from any source equal or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K | | X |
| Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L | | X |
| A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only of the intergovernmental agreements labeled Attachment M | | X |

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

Provide an analysis of the special tax allocation fund.

FY 2015

TIF NAME: Romeoville Romeo Road TIF

Fund Balance at Beginning of Reporting Period

\$ 100,948

| Revenue/Cash Receipts Deposited in Fund During Reporting FY: | Reporting Year | Cumulative* | % of Total |
|---|-----------------------|--------------------|-------------------|
| Property Tax Increment | \$ 36,146 | \$ 165,715 | 29% |
| State Sales Tax Increment | | | 0% |
| Local Sales Tax Increment | | | 0% |
| State Utility Tax Increment | | | 0% |
| Local Utility Tax Increment | | | 0% |
| Interest | \$ 9 | \$ 92 | 0% |
| Land/Building Sale Proceeds | | | 0% |
| Bond Proceeds | | | 0% |
| Transfers from Municipal Sources | | | 0% |
| Private Sources | | \$ 28,578 | 5% |
| Other (identify source _____; if multiple other sources, attach schedule) | | \$ 371,484 | 66% |

*must be completed where current or prior year(s) have reported funds

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period

\$ 36,155

Cumulative Total Revenues/Cash Receipts

\$ 565,869 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)

\$ 825

Distribution of Surplus

Total Expenditures/Disbursements

\$ 825

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS

\$ 35,330

FUND BALANCE, END OF REPORTING PERIOD*

\$ 136,278

* if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

SURPLUS*/(DEFICIT)(Carried forward from Section 3.3)

\$ -

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

FY 2015

TIF NAME: Romeoville Romeo Road TIF

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
 (by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >\$10,000 SECTION 3.2 B MUST BE COMPLETED

| Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)] | Amounts | Reporting Fiscal Year |
|---|---------|-----------------------|
| 1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1) | | |
| Audit Services | 825 | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ 825 |
| 2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6) | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 3. Property assembly: property acquisition, building demolition, site preparation and environmental site improvement costs. Subsections (q)(2), (o)(2) and (o)(3) | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 4. Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings. Subsection (q)(3) and (o)(4) | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5) | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |

SECTION 3.2 A

PAGE 2

| | | |
|--|--|------|
| 7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12) | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 8. Financing costs related to obligations issued by the municipality. Subsection (q) (6) and (o)(8) | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 9. Approved taxing district's capital costs. Subsection (q)(7) and (o)(9) | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 11. Relocation costs. Subsection (q)(8) and (o)(10) | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 12. Payments in lieu of taxes as defined in Subsections 11-74.43(m) and 11-74.6-10(k). Subsection (q)(9) and (o)(11) | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12) | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |

SECTION 3.2 A

PAGE 3

| | | |
|--|--|--------|
| 14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E) | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| TOTAL ITEMIZED EXPENDITURES | | \$ 825 |

Section 3.2 B

FY 2015

TIF NAME: Romeoville Romeo Road TIF

List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.

 X There were no vendors, including other municipal funds, paid in excess of \$10,000 during the current reporting period.

[illegible]

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period

FY 2015

TIF NAME: Romeoville Romeo Road TIF

FUND BALANCE, END OF REPORTING PERIOD

\$ 136,278

| | Amount of Original Issuance | Amount Designated |
|---|--------------------------------|-------------------|
| 1. Description of Debt Obligations | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

Total Amount Designated for Obligations

\$ - \$ -

2. Description of Project Costs to be Paid

| | | |
|-------------------------|--|------------|
| Romeo Road TIF Projects | | \$ 136,278 |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

Total Amount Designated for Project Costs

\$ 136,278

TOTAL AMOUNT DESIGNATED

\$ 136,278

SURPLUS*/(DEFICIT)

\$ -

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing districts (See instructions and statutes)

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2015

TIF NAME: Romeoville Romeo Road TIF

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

 X **No property was acquired by the Municipality Within the Redevelopment Project Area**

Property Acquired by the Municipality Within the Redevelopment Project Area

| | |
|--|--|
| Property (1): | |
| Street address: | |
| Approximate size or description of property: | |
| Purchase price: | |
| Seller of property: | |

| | |
|--|--|
| Property (2): | |
| Street address: | |
| Approximate size or description of property: | |
| Purchase price: | |
| Seller of property: | |

| | |
|--|--|
| Property (3): | |
| Street address: | |
| Approximate size or description of property: | |
| Purchase price: | |
| Seller of property: | |

| | |
|--|--|
| Property (4): | |
| Street address: | |
| Approximate size or description of property: | |
| Purchase price: | |
| Seller of property: | |

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)

PAGE 1

FY 2015

TIF NAME: Romeoville Romeo Road TIF

SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 25 PROJECTS. PAGE 1 MUST BE INCLUDED WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED ONLY IF PROJECTS ARE LISTED ON THESE PAGES

| | | | |
|--|------------------------|--|--|
| Check here if NO projects were undertaken by the Municipality Within the Redevelopment Project Area: _____ | | | |
| ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below* 3 | | | |
| TOTAL: | 11/1/99 to Date | Estimated Investment for Subsequent Fiscal Year | Total Estimated to Complete Project |
| Private Investment Undertaken (See Instructions) | \$ - | \$ - | \$ - |
| Public Investment Undertaken | \$ 429,591 | \$ 36,000 | \$ 445,000 |
| Ratio of Private/Public Investment | 0 | | 0 |

Project 1: *IF PROJECTS ARE LISTED NUMBER MUST BE ENTERED ABOVE

| | | | |
|--|----------|----------|-----------|
| Project 1: TIF Administration | | | |
| Private Investment Undertaken (See Instructions) | | | \$ - |
| Public Investment Undertaken | \$ 1,650 | \$ 2,000 | \$ 45,000 |
| Ratio of Private/Public Investment | 0 | | 0 |

| | | | |
|--|------------|--|---|
| Project 2: | | | |
| Project 2: Walgreens Developer Incentive | | | |
| Private Investment Undertaken (See Instructions) | | | |
| Public Investment Undertaken | \$ 350,000 | | |
| Ratio of Private/Public Investment | 0 | | 0 |

| | | | |
|--|-----------|-----------|------------|
| Project 3: | | | |
| Project 3: Romeo Road Improvements | | | |
| Private Investment Undertaken (See Instructions) | | | |
| Public Investment Undertaken | \$ 77,941 | \$ 34,000 | \$ 400,000 |
| Ratio of Private/Public Investment | 0 | | 0 |

| | | | |
|--|---|--|---|
| Project 4: | | | |
| Private Investment Undertaken (See Instructions) | | | |
| Public Investment Undertaken | | | |
| Ratio of Private/Public Investment | 0 | | 0 |

| | | | |
|--|---|--|---|
| Project 5: | | | |
| Private Investment Undertaken (See Instructions) | | | |
| Public Investment Undertaken | | | |
| Ratio of Private/Public Investment | 0 | | 0 |

| | | | |
|--|---|--|---|
| Project 6: | | | |
| Private Investment Undertaken (See Instructions) | | | |
| Public Investment Undertaken | | | |
| Ratio of Private/Public Investment | 0 | | 0 |

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois. *even though optional MUST be included as part of complete TIF report

SECTION 6

FY 2015

TIF NAME: Romeoville Road TIF

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

| Year redevelopment project area was designated | Base EAV | Reporting Fiscal Year EAV |
|--|------------|---------------------------|
| 2006 | \$ 282,000 | \$ 916,575 |

List all overlapping tax districts in the redevelopment project area.

If overlapping taxing district received a surplus, list the surplus.

☒ X The overlapping taxing districts did not receive a surplus.

| Overlapping Taxing District | Surplus Distributed from redevelopment project area to overlapping districts |
|-----------------------------|--|
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |

SECTION 7

Provide information about job creation and retention

| Number of Jobs Retained | Number of Jobs Created | Description and Type (Temporary or Permanent) of Jobs | Total Salaries Paid |
|-------------------------|------------------------|---|---------------------|
| | | | \$ - |
| | | | \$ - |
| | | | \$ - |
| | | | \$ - |
| | | | \$ - |
| | | | \$ - |
| | | | \$ - |

SECTION 8

Provide a general description of the redevelopment project area using only major boundaries:

| |
|--|
| The Area contains 4 parcels at the northeast corner of 135th Street (Romeo Road) and Illinois Route 53 (Independence Blvd). The address of the property is 347 N. Independence Blvd. |
|--|

| Optional Documents | Enclosed |
|---|----------|
| Legal description of redevelopment project area | X |
| Map of District | X |

TIF Amendment Area (BP Property) - Legal Description

Parcel 1:

Lot 1 in Unit No. 1 of Mikan's Romeo Estates, a Subdivision of part of the South $\frac{1}{2}$ of the South $\frac{1}{2}$ of Section 34, Township 37 North, Range 10, East of the Third Principal Meridian, according to the Plat thereof recorded April 19, 1954, in Plat Book 28, Page 32, as Document Number 748172, in Will County, Illinois.

Parcel 2:

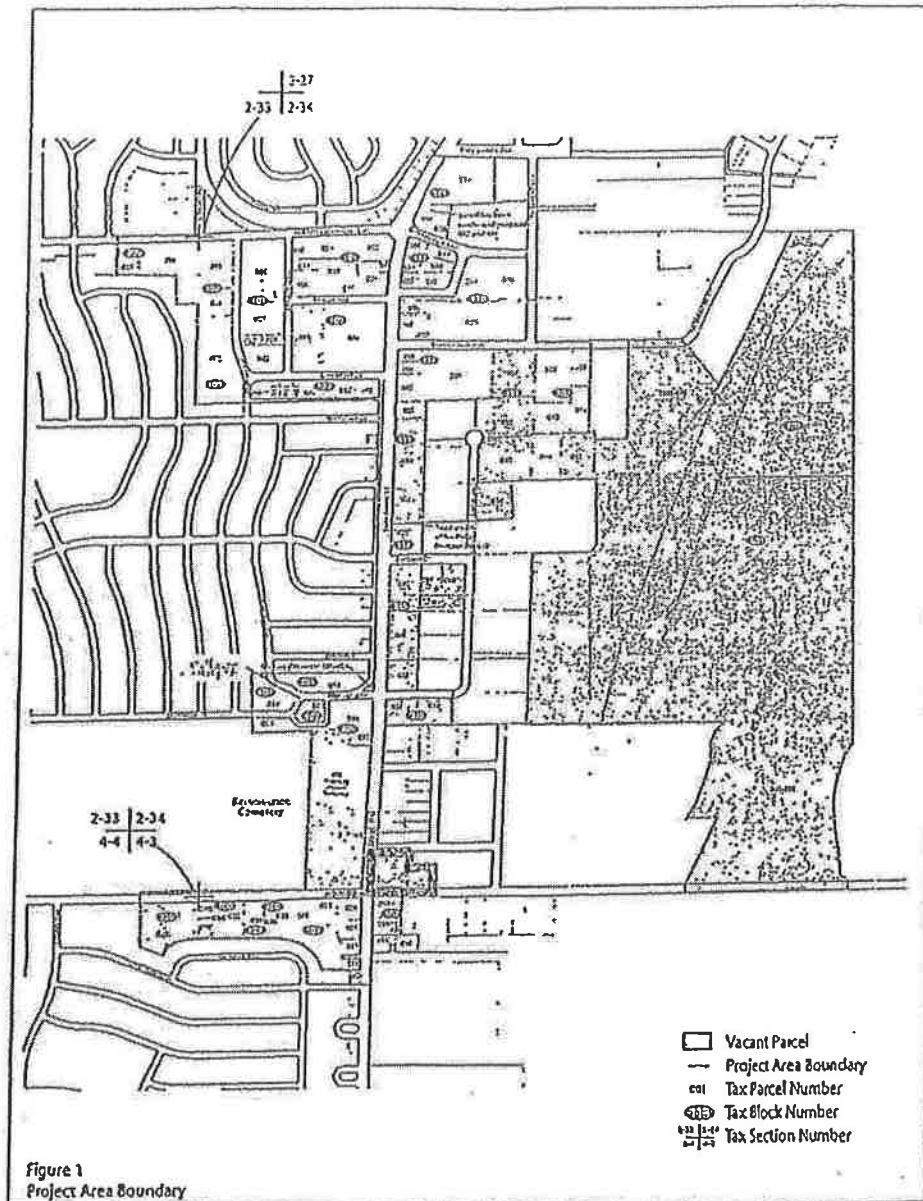
Lot 2 in Unit No. 1 of Mikan's Romeo Estates, a Subdivision of part of the South $\frac{1}{2}$ of the South $\frac{1}{2}$ of Section 34, Township 37 North, Range 10, East of the Third Principal Meridian, according to the Plat thereof recorded April 19, 1954, in Plat Book 28, Page 32, as Document Number 748172, in Will County, Illinois.

Parcel 3:

That part of the South $\frac{1}{2}$ of the South $\frac{1}{2}$ of Section 34, Township 37 North, Range 10, East of the Third Principal Meridian (except that part dedicated to the County of Will, State of Illinois, for the public road purposes in Document 698507), bounded and described as follows: Beginning at a point on the North right-of-way line of Romeo Road, distant 125.00 feet East of the East right-of-way line of Route #66; thence continuing North $01^{\circ} 29' 54''$ East along the last described line, for a distance of 295.00 feet to a point; thence North $89^{\circ} 37' 54''$ East, for a distance of 170.20 feet to a point; thence $5.01^{\circ} 29' 54''$ West, for a distance of 295.20 feet to a point on the North right-of-way line of said Romeo Road; thence $5.89^{\circ} 37' 54''$ West, on the last described line, for a distance of 170.20 feet to the point of beginning, all in Will County, Illinois.

Parcel 4:

That part of the South $\frac{1}{2}$ of the South $\frac{1}{2}$ of Section 34, Township 37 North, Range 10, East of the Third Principal Meridian (except that part dedicated to the County of Will, State of Illinois, for public road purposes in Document 698507), which lies East of the Highway known as U.S. Route 66, bounded and described as follows: Beginning at a point where the East line of U.S. Route 66, distant 30.00 feet North of the North line of the highway known as Romeo Road (said point of beginning also being the Northerly corner of Parcel 003 as shown on Plat of Highways, State of Illinois, Department of Transportation Job R-91-023-95); thence continuing North $01^{\circ} 29' 54''$ East along said East line of said Route 66, for a distance of 265.20 feet to a point; thence North $89^{\circ} 37' 54''$ East, for a distance of 125.00 feet to a point; thence South $01^{\circ} 29' 54''$ West, on a line 125.00 feet East of and parallel with the East right-of-way line of said Route 66, for a distance of 295.02 feet to a point on West, on the last described line, for a distance of 90.00 feet to a point distant 35.00 feet East of the East right-of-way line of said Route 66 (said point also being the Easterly corner of the aforesaid Parcel 003) thence North $48^{\circ} 58' 44''$ West, along the North easterly line of said Parcel 003, for a distance of 45.35 feet to the point of beginning, in Will County, Illinois.

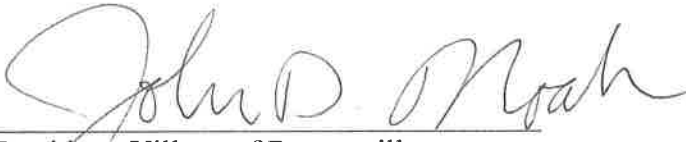


STATE OF ILLINOIS)
) SS.
COUNTY OF WILL)

CERTIFICATE OF COMPLIANCE WITH THE TAX
INCREMENT ALLOCATION REDEVELOPMENT ACT

I, the undersigned, do hereby certify that I am the duly qualified and acting President of the Village of Romeoville, Will County, Illinois (the "Village"), and as such chief executive officer of the Village, I do hereby further certify to the best of my knowledge, that, according to the records of the Village in my official possession, the Village has now complied, for the fiscal year ended April 30, 2015, with all of the requirements of the Tax Increment Allocation Redevelopment Act, as amended, Division 74.4 of Article 11 of the Illinois Municipal Code (65 ILCS 5/11-74.4-1 through 11-74.4-11) for that certain redevelopment project area known as the Romeo Road Redevelopment Project Area. Compliance requirements, if any, brought to the attention of the undersigned have been addressed as of the date of this certificate.

IN WITNESS WHEREOF I have hereunto affixed my official signature at Romeoville, Illinois, this 10 day of November, 2015.



President, Village of Romeoville
Will County, Illinois

ATTEST:



Candice H. Roberts

TRACY, JOHNSON & WILSON

Attorneys at Law
First Community Bank Building
2801 Black Road, Second Floor
Joliet, Illinois 60435

Raymond E. Meader
A. Michael Wojtak
Kenneth A. Carlson
John S. Gallo
Richard E. Vogel

Jeffrey M. Archambeault
John G. Foreman

TELEPHONE (815) 723-8500
FAX (815) 727-4846

OF COUNSEL
James B. Harvey

Louis R. Bertani (1928-1999)
Thomas R. Wilson (1929-2001)
Donald J. Tracy (1926-2003)
Wayne R. Johnson (1930-2008)
Richard H. Teas (1930-2008)

November 10, 2015

Mr. Kirk Openchowski
Village of Romeoville
1050 West Romeo Road
Romeoville, IL 60446


Re: Romeo Road Redevelopment Project Area

Dear Mr. Openchowski:

We, the undersigned, do hereby certify that we are the Village Attorneys for the Village of Romeoville, Will County, Illinois (the "Village"). We have reviewed all the information provided to us by appropriate Village officials, staff, and consultants and to the best of our knowledge and belief, further certify that the Village has conformed for the fiscal year ended April 30, 2015, with all of the requirements of the Tax Increment Allocation Redevelopment Act, as amended, Division 74.4 of Article 11 of the Illinois Municipal Code (65 ILCS 5/11-74.4-1 through 11-74.4-11) as of the date hereof for that certain redevelopment project area known as the Marquette Center Redevelopment Project Area (the "Project").

In rendering this certification, we have relied upon certifications of the Village with respect to certain material facts solely within the Village's knowledge relating to the Project. Compliance requirements, if any, brought to the attention of the undersigned have been addressed as of the date of this certification.

Tracy, Johnson & Wilson

By: 
Village Attorneys
Village of Romeoville, Will County, Illinois

STATEMENT OF ACTIVITIES FY 14-15

The projects meet the Romeoville Road TIF General Economic Development Goals and Comprehensive Plan Land Use Goals and Objectives.

The Romeo Road TIF District project area goals and objectives are attached.

TIF FORMATION/ENGINEERING/ADMINISTRATION

The TIF Financial Compliance Report for the prior year was completed.

ROUTE 53 AND ROMEO ROAD IMPROVEMENTS

The Village may construct and improve the right turn lanes from 135th Street onto North Bound Route 53.

Final Official Statement

Subject to compliance by the Village with certain covenants, in the opinion of Chapman and Cutler LLP, Bond Counsel, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion. The Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See "QUALIFIED TAX-EXEMPT OBLIGATIONS" herein.



\$9,195,000
VILLAGE OF ROMEOVILLE
 Will County, Illinois
General Obligation Refunding Bonds, Series 2014

Dated Date of Delivery Bank Qualified Book-Entry Due Serially December 30, 2015-2024

The \$9,195,000 General Obligation Refunding Bonds, Series 2014 (the "Bonds") are being issued by the Village of Romeoville, Will County, Illinois (the "Village"). Interest is payable semiannually on June 30 and December 30 of each year, commencing June 30, 2015. Interest is calculated based on a 360-day year of twelve 30-day months. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on December 30 in the following years and amounts.

AMOUNTS, MATURITIES, INTEREST RATES, PRICES OR YIELDS AND CUSIP NUMBERS

| Principal Amount | Due Dec. 30 | Interest Rate | Yield | CUSIP Number(1) | Principal Amount | Due Dec. 30 | Interest Rate | Yield | CUSIP Number(1) |
|------------------|-------------|---------------|--------|-----------------|------------------|-------------|---------------|--------|-----------------|
| \$1,010,000 | 2015 | 3.000% | 0.360% | 776154 UG9 | \$380,000 | 2020 | 3.000% | 1.570% | 776154 UM6 |
| 2,210,000 | 2016 | 3.000% | 0.540% | 776154 UH7 | 395,000 | 2021 | 3.000% | 1.770% | 776154 UN4 |
| 2,220,000 | 2017 | 3.000% | 0.840% | 776154 UJ3 | 405,000 | 2022 | 4.000% | 1.970% | 776154 UP9 |
| 1,345,000 | 2018 | 3.000% | 1.070% | 776154 UK0 | 420,000 | 2023 | 4.000% | 2.170% | 776154 UQ7 |
| 370,000 | 2019 | 3.000% | 1.320% | 776154 UL8 | 440,000 | 2024 | 4.000% | 2.270% | 776154 UR5 |

OPTIONAL REDEMPTION

The Bonds are not subject to optional redemption prior to maturity.

PURPOSE, LEGALITY AND SECURITY

The Bond proceeds will be used to current refund a portion of the Village's General Obligation Bonds, Series 2004 (the "2004 Bonds") and to pay the costs of issuance of the Bonds. See "PLAN OF FINANCING" herein.

In the opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, the Bonds will constitute valid and legally binding obligations of the Village payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

The Village intends to designate the Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Final Official Statement is dated October 16, 2014, and has been prepared under the authority of the Village. An electronic copy of this Final Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Competitive Final Official Statement Sales Calendar". Additional copies may be obtained from Dr. Bernice E. Holloway, Village Clerk, Village of Romeoville, 1050 West Romeo Road, Romeoville, Illinois 60446, or from the Independent Public Finance Consultants to the Village:

Established 1954

Speer Financial, Inc.

INDEPENDENT PUBLIC FINANCE CONSULTANTS
 ONE NORTH LASALLE STREET, SUITE 4100 • CHICAGO, ILLINOIS 60602
 Telephone: (312) 346-3700; Facsimile: (312) 346-8833
www.speerfinancial.com



(1) CUSIP numbers appearing in this Final Official Statement have been provided by the CUSIP Service Bureau, which is managed on behalf of the American Bankers Association by Standard & Poor's, a division of the McGraw-Hill Companies, Inc. The Village is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Bonds or as set forth on the cover of this Final Official Statement.

No dealer, broker, salesman or other person has been authorized by the Village to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement or the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the Village and, while believed to be reliable, is not guaranteed as to completeness. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE VILLAGE SINCE THE RESPECTIVE DATES THEREOF.

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement, they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

The tax advice contained in this Official Statement is not intended or written by the Village, its Bond Counsel, or any other tax practitioner to be used, and it cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer. The tax advice contained in this Official Statement was written to support the promotion or marketing of the Bonds. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

Table of Contents

| | |
|--|----|
| BOND ISSUE SUMMARY | 1 |
| VILLAGE OF ROMEOVILLE | 2 |
| DESCRIPTION OF THE BONDS | 2 |
| THE VILLAGE | 2 |
| Home Rule | 3 |
| Village Organization and Services | 3 |
| Transportation | 3 |
| Community Life | 4 |
| Education | 4 |
| Current Economic Development Programs | 4 |
| Industrial Park Activity | 4 |
| Commercial Activity | 6 |
| SOCIOECONOMIC INFORMATION | 8 |
| Employment | 8 |
| Unemployment Rates | 10 |
| Building Permits | 11 |
| Housing | 11 |
| Income | 12 |
| Retail Activity | 13 |
| PLAN OF FINANCING | 14 |
| DEBT INFORMATION | 15 |
| Default History | 18 |
| PROPERTY ASSESSMENT AND TAX INFORMATION | 19 |
| REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES | 20 |
| Tax Levy and Collection Procedures | 20 |
| Exemptions | 21 |
| Truth in Taxation Law | 22 |
| FINANCIAL INFORMATION | 23 |
| General | 23 |
| Cash Management | 23 |
| Budgetary Procedures | 23 |
| Operating Results and Fund Balances | 23 |
| Financial Reports | 24 |
| No Consent or Updated Information Requested of the Auditor | 24 |
| Investment Policy | 24 |
| Summary Financial Information | 25 |
| EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS | 29 |
| REGISTRATION, TRANSFER AND EXCHANGE | 30 |
| TAX EXEMPTION | 30 |
| QUALIFIED TAX-EXEMPT OBLIGATIONS | 33 |
| CONTINUING DISCLOSURE | 33 |
| THE UNDERTAKING | 33 |
| Annual Financial Information Disclosure | 33 |
| Reportable Events Disclosure | 34 |
| Consequences of Failure of the Village to Provide Information | 35 |
| Amendment; Waiver | 35 |
| Termination of Undertaking | 35 |
| Additional Information | 35 |
| Dissemination of Information; Dissemination Agent | 36 |
| OPTIONAL REDEMPTION | 36 |
| LITIGATION | 36 |
| CERTAIN LEGAL MATTERS | 36 |
| OFFICIAL STATEMENT AUTHORIZATION | 36 |
| INVESTMENT RATINGS | 37 |
| DEFEASANCE | 37 |
| UNDERWRITING | 37 |
| FINANCIAL ADVISOR | 37 |
| CERTIFICATION | 38 |

APPENDIX A - EXCERPTS OF FISCAL YEAR 2013 AUDITED FINANCIAL STATEMENTS

APPENDIX B - DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

APPENDIX C - PROPOSED FORM OF OPINION OF BOND COUNSEL

APPENDIX D - EXCERPTS OF FISCAL YEAR 2013 AUDITED FINANCIAL STATEMENTS RELATING TO THE VILLAGE'S PENSION PLANS

BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Final Official Statement, which are provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors.

| | |
|---|---|
| Issuer: | Village of Romeoville, Will County, Illinois. |
| Dated Date: | Date of delivery, expected to be November 3, 2014. |
| Interest Due: | Each June 30 and December 30, commencing June 30, 2015. |
| Principal Due: | Serially each December 30, commencing December 30, 2015 through December 30, 2024, as detailed on the front page of this Final Official Statement. |
| Optional Redemption: | The Bonds are not subject to optional redemption prior to maturity. |
| Authorization: | By a bond ordinance adopted by the President and Board of Trustees of the Village, as supplemented by the Bond Order authorized therein and executed in connection with the sale of the Bonds. The Village is a home-rule unit and under the 1970 Illinois Constitution has no debt limitation or referendum requirements. |
| Security: | The Bonds will constitute valid and legally binding obligations of the Village payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. |
| Credit Rating: | The Bonds have been rated "Aa3 (Stable)" and "AA- (Stable)" by Moody's Investors Service and Fitch Ratings, respectively. See "INVESTMENT RATINGS" herein. |
| Purpose: | The Bond proceeds will be used to currently refund a portion of the Village's General Obligation Bonds, Series 2004 and to pay the costs of issuance of the Bonds. See "PLAN OF FINANCING" herein. |
| Tax Exemption: | Chapman and Cutler LLP, will provide an opinion as to the federal tax exemption of the interest on the Bonds as discussed under "TAX EXEMPTION" in this Final Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes. |
| Bank Qualification: | The Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See "QUALIFIED TAX-EXEMPT OBLIGATIONS" herein. |
| Bond Registrar/Paying Agent/ Escrow Agent: | Amalgamated Bank of Chicago, Chicago, Illinois. |
| Delivery: | The Bonds are expected to be delivered on or about November 3, 2014. |
| Book-Entry Form: | The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. See APPENDIX B herein. |
| Denomination: | \$5,000 or integral multiples thereof. |
| Financial Advisor: | Speer Financial, Inc., Chicago, Illinois. |

VILLAGE OF ROMEOVILLE

Will County, Illinois

John D. Noak
Village President

Board of Trustees

Jose (Joe) Chavez
Brian A. Clancy, Sr.

Ken Griffin
Sue A. Micklevitz

Linda S. Palmiter
Dave Richards

Officials

Steve Gulden
Village Manager

Dr. Bernice E. Holloway
Village Clerk

Dawn Caldwell
Assistant Village Manager

Kirk Openchowski
Finance Director

Raymond E. Meader
Corporation Counsel

Speer Financial, Inc.
Financial Advisor

DESCRIPTION OF THE BONDS

The Bonds will constitute valid and legally binding obligations of the Village of Romeoville, Will County, Illinois (the "Village") payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

THE VILLAGE

The Village, incorporated in 1895, is located in Will County (the "County"), approximately 26 miles southwest of Chicago. The Village encompasses approximately 20 square miles and is bordered by the Village of Bolingbrook to the north, unincorporated Will County to the west, south and east, the City of Lockport to the southeast, and the City of Crest Hill to the South. Recent annexations have totaled over 2,000 acres. Population at the time of the 2000 Census was 21,153, a 50% increase from the 1990 report of 14,101. In 2006, a Special Census was conducted and the population increased 73% from 2000 to 36,709. The population of the Village as reported by the 2010 Census is 39,680.

Home Rule

The Village acquired home rule status in 2003 when its population exceeded 25,000. Pursuant to the authority granted by Article VII of the 1970 Constitution of the State of Illinois, any municipality which, according to the most recent official U.S. Census, has a population of more than 25,000 is a home rule unit. The Village may exercise broad powers pertaining to its government and affairs.

Village Organization and Services

The Village has a President and Board of Trustees and has a Village form of government. The Village Board is composed of the Village President and six trustees who are elected at large for staggered four year terms. The Village has an elected Clerk who is elected to a four year term at the same time as the Village President.

The Village provides police, fire, and paramedic service; water and sewer system services; public works; refuse collection; road and bridge maintenance; and general administrative services. The Village employs approximately 437 persons providing the following services:

| | <u>Full-time</u> | <u>Part-time</u> |
|--------------------------------|------------------|------------------|
| Police..... | 81 | 20 |
| Fire | 21 | 88 |
| Administrative and Other | <u>97</u> | <u>124</u> |
| Total..... | 205 | 232 |

Of the 87 full-time staff of the Police Department, 64 are sworn officers. Fire department staff includes approximately 62 firefighters, of which all are firefighter/paramedics. There are 19 full-time sworn staff and 43 part-time sworn staff.

Northern Illinois Gas Company and Commonwealth Edison provide gas and electric service for the Village, respectively. The Village provides water and sewer services.

Library services are provided by White Oak, and Plainfield Library Districts. White Oak maintains a recently renovated library facility within the Village.

Transportation

The Village has accessibility via highway, rail, water and air transportation, serving its residents and its large industrial base. It is situated along Illinois 53. Directly to the north is Interstate 55, which leads to Chicago; three full interchanges serve the Village. The completion of Interstate 355 to Interstate 55 has improved access to the northern and western suburbs. Interstate 355 completed its extension south to Interstate 80 which leads to Indiana to the east and Iowa to the west.

Mass transit services include the Metra Heritage Corridor line in nearby Lockport and Joliet. Passenger service is also available via Amtrak in Joliet and Chicago. The Village is currently working with Metra to develop a station in Romeoville. The Village has agreed to provide land for the station. Federal funding has been secured for the project. The Santa Fe, Elgin and Eastern and the Illinois Central Gulf Railroads supply rail freight service.

The Chicago Shipping Canal provides water transportation to Chicago harbors, the Great Lakes and the Illinois-Mississippi River waterways. The Joliet Regional Port District operates the Canal. Air transportation service is available at Chicago's O'Hare International Airport (25 miles) and Midway Airport (15 miles). In addition, the Lewis University Airport, which is located within the Village, is owned and operated by the Joliet Regional Port District and has plans for further expansion.

Community Life

The Village provides recreation opportunities. O'Hara Woods is a 60 acre nature center with a fishing lake and hiking trails and an adjoining 30 acre recreation center complex with a health club, lighted tennis courts and ball fields. The Village provides a total of 29 parks with 29 playgrounds. Total park space is over 302 acres. The Lockport Township Park District and the Plainfield Township Park District serve part of the Village. Also, in or near the Village are the Romeoville Prairie Nature Preserve (314 acres), Veteran Woods (77 acres) and the Isle a la Cache Museum (95 acres), which are maintained by the Will County Forest Preserve District.

Education

The Village's public education needs are met by School Districts 92, 202-U, 365-U and High School District Number 205. The Village is located within Community College District Number 525, the Joliet Community College. The Community College has a satellite campus located in the Village. Lewis University, a privately owned higher educational institution, is located in Romeoville. Rasmussen College's Romeoville Campus opened its doors in January 2010.

Current Economic Development Programs

The Village is aggressively pursuing economic development to expand its already diverse tax base and to attract jobs for its residents. Key strengths of the Village in attracting development are its location advantages and land availability. The Village is using these strengths to market itself to light manufacturers and small and medium wholesale and service industries.

Interstate 55 with three interchanges, along with Interstate 355, makes the Village accessible to Chicago and its southern and western suburbs by road as well as by rail, water and air transportation as outlined above. The Village was instrumental in gaining cooperation among area governments and developers to fund part of the construction and in succeeding in getting the Illinois Department of Transportation to accelerate the scheduling for the construction of one of these interchanges as part of its list of planned highway improvements. The Village, in conjunction with the Villages of Bolingbrook and Plainfield, has started the engineering study for new interchanges off of Interstate 55 at Airport Road and at Illinois Route 126. Plans have also started for improvements to the Interstate 55/Weber Road interchange.

Industrial Park Activity

Highlighting the years between 2010-2014

The Village of Romeoville is at the heart of the I-55 industrial corridor. The Village has seen exponential growth in the industrial warehouse sector in the past decade and it continues to dominate the development landscape today. Currently, there are over 25 million square feet of industrial space. Of the current space, 2.5 million square feet was built since 2007, during the peak of the recession. Not all of the Village's success can be measured in new development, but rather from the quality of the leases in its mature industrial parks. A few examples stand out: Synnex Corporation, APL Logistics, Sleepy's, Peacock Engineering and CHEP USA.

In early 2012, Ryan Companies began construction of a 604,000 square foot spec industrial and warehouse facility at 1060 Crossroads Parkway. DCT of Denver took ownership of the building once construction commenced on one of the first and largest spec buildings in the Chicagoland in several years. Valspar Paint, a sole contractor for paint at Lowe's leased the first 400,000 square feet in mid-2013 and RJW a freight forwarding company for Walmart is finalizing a lease for the remaining 200,000 square feet beginning November 1, 2014.

Ashley Furniture engaged Ryan Companies, as the developer for the construction of a 422,000 square foot facility beginning in early 2014, completion is scheduled for October 2014. The site is located at 1045 west Crossroads Parkway in the Boldt Business Park. Ashley Furniture is finalizing purchase arrangements for the warehouse and the first retail outlet for Chicagoland scheduled to be opened in the first quarter of 2015.

In September 2014, Magid Glove and Safety, a leading manufacturer, importer, distributor and direct supplier of hand protection, protective clothing, first aid and personal protective equipment moved their headquarters and manufacturing operations from Chicago to the former 600,000 square foot Sharp Building located on a 35 acre campus in the Marquette Business Park. Magid has brought over 400 jobs to the Village.

Duke started construction in June of 2014 of a 324,000 square foot speculative distribution facility on an 18 acre parcel being redeveloped by demolishing a 90,000 square foot Panduit facility in the Marquette Business Park

Southwest Quad #5 was purchased by Molto and construction began in June 2014 on the development of a 200,000 square foot speculative industrial building. Completion is scheduled for the fourth quarter of 2014.

The Land and Lakes third and final 525,000 square foot distribution facility in the Bluff Point Industrial Park was completed in early 2011 and sold to MAT Holdings, a major supplier of fencing, ladders and many other hardware supplies.

The Pinnacle Business Park has recently completed a new 238,000 square foot state-of-the-art facility for Fed Ex Ground. A modern multi-million dollar custom package handling system was installed and operations began in early 2013. The Fed Ex company has grown since its opening, and has now delivered plans to add a 40,000 square foot distribution addition along with 100 more employee car spaces and 38 more truck bays beginning in October 2014. Fed Ex Ground has already hired nearly 400 employees to date and the addition is expected to permit 100 more new hires in 2015.

MIQ Logistics leased its 650,000 spec building to Samsung; nearly 300 workers were employed in 2011. In 2012 and 2013, Samsung's business grew at a rapid pace and the facility added 120 parking spaces; employment now is at 600 persons.

WBS Equities annexed 34 acres and had a General Development Plan approved by the Village Board on April 2, 2014 for a farm on Airport Road west of Chicago Tube and Iron. The first phase proposes a 188,000 square foot, 80 foot tall, state of the art freezer distribution sister facility for Aryzta's Great Kitchen complex in the South Creek Industrial Park. This will bring Aryzta's holdings to over 600,000 square feet as current employment tops 600. Site construction started in June 2014 and foundations poured in September 2014.

The Opus Group has purchased the northern 22 acres of the Paragon Business Park from First American Properties. The Village Board approved an amendment to build three industrial speculative buildings totaling 368,750 square feet. Plans have been submitted to the Village to begin construction on two buildings late in 2014.

Lastly in the Pinnacle Business Park, two large warehouse buildings broke ground in 2013. The first building is 898,560 square feet and contracted to be delivered for Pactiv Corporation, who operates in several other buildings in the Village. The second building is a speculative 672,000 square foot facility by Pizzuti, substantially completing the Pinnacle Business Park.

With over 25 million square feet of Romeoville's industrial and distribution space built in the last ten years, these new facilities represent well in excess of \$600,000,000 of taxable assets that enable Romeoville to grow at a manageable and very stable pace. The continued availability of vacant speculative space on the I-55 corridor has been one of the major factors allowing the Village to weather the current recession with no plant closings and relatively few layoffs. In fact there was a net positive influx of over 3,000 jobs during the last three years. Developers Duke, Prologis, DCT and Pizzuti built at least one speculative 500,000 plus square foot facility in the past five years during the worst part of the recession.

Commercial Activity

With new large employers and over 4,000 homes added since 1999, the need to develop commercial projects became important in 2006. With only 333,000 square feet of retail development in place at the beginning of 2006 (and approximately 100,000 of that occurring between 2004 and 2006) over 1,350,000 square feet of retail is planned, under construction, or open at the intersection of Airport and Weber Roads today. The 128,000 square foot Target Center opened in October 2007 and the 50,000 adjacent square feet of the Shops of Romeoville opened in February of 2008. A 90,000 square foot Kohl's opened in October 2008 following a summer opening of a 5,000 square foot Chili's. Two 15,000 square foot strip centers and a Fifth Third Bank also opened with full tenancy in 2008. Many national credit tenants moved into Rubloff's Target Center prior to the credit crunch. Permits were issued to Pop's Beef, AT&T Mobile and a 10,000 square foot Deal\$ store in the Spring of 2010.

The second largest Wal-Mart in North America, a 208,000 square foot modern design opened its doors in January 2008. First year sales of \$59 million quickly ballooned to a \$79 million budget for year two. The Romeoville Crossings Wal-Mart development is intended to contain at least three restaurants and a 30,000 square foot medical facility. A Sam's Club Member Store opened in 2013 and has brought over 200 jobs and an increase in retail sales tax to the Village.

A 15,000 square foot center that includes a Panda Express quick serve restaurant opened in January 2010. This facility joined Auto Zone that opened in 2009 and the 10,000 square foot Firestone Tire facility that opened in late 2010.

Although the Village has evaluated 14 proposed "strip centers" that contain another 300,000 square feet of retail space, the credit crunch has put many on hold. This slowdown permitted Village staff to utilize demographic and GIS information in combination with community expendable income tables to avoid overbuilding and risking these centers being half full or worse. The shakeout of both credit worthy projects and overall retail demand should help the Village to prevent cannibalizing existing older centers with new ones and effectively creating long term damage for the retail sector.

North Rock Development constructed a 20,000 square foot retail end cap for TJ Maxx that will open in October 2014. This center will replace the designed but not built Circuit City facility that was planned in 2008 before the electronics company's bankruptcy. The soft goods store is scheduled to open in October of 2014.

The Shops of Romeoville located at the intersections of Airport and Weber Roads is a 12,000 square foot strip center nearing build out. Sleepy's Mattress Store, Chipotle Mexican Food and Dunkin' Doughnuts are all scheduled to open in October of 2014. On the west side of the intersection, a new Goodwill Retail and Donation center has nearly completed its 22,000 square foot company store. The facility is scheduled to open in October of 2014.

Lenny's Car Wash located in the Romeoville Crossings shopping center between Sam's Club Fueling Station and the Auto Zone which started a construction project in June 2014 as well. The project is quickly nearly completion and has scheduled a ground breaking for October 2014.

The Village is actively attempting to attract sit down restaurants to complement the few that are already established in the community. Also, several specialty facilities such as American Sale's 60,000 square foot recreation store, Brunswick Zone's 55,000 square foot recreational center, the 108,000 square foot International Ice Center and the 21,000 Crème de la Crème, a children's learning center, opened in the last five years.

Residential Activity

As the Village migrated from a nearly impossible 1,100 housing permits per year in 2004 to a more manageable 10 permits in 2009, the Village's housing stock became more varied and of higher value. With less than 1000 homes to be built before total build-out reaches 42,000 persons and 13,500 houses, the development of higher end housing is a sign of maturity and stabilization.

In 2006 Misty Ridge by Beechen and Dill ("B&D") commenced construction of its 168 single family homes. The initial phase of 70 homes saw average closure price hovering around \$300,000. This was nearly double the median price for the entire community in 2008. During the downturn, B&D developed a large energy efficient ranch model with high ceilings that average to close near \$250,000. The Village received a \$100,000 federal grant enabling the offering of \$5,000 to purchasers to apply towards their closing.

Ten families took advantage of this new program in 2011-12. The Village also decided to grant a \$5,000 discount on the building permit fees which slightly impacted the figures on the Building Permit Table presented later in this document. In 2012 Misty Ridge closed near 30 new homes which doubled the previous year's output. In 2013, B&D constructed 30 new homes. So far in 2014 Misty Ridge has closed 22 new homes and the entire subdivision only has 22 lots left until completion.

The Greenhaven Duplex project on Normantown and Birch was purchased in September 2014 after being dormant for five years. WK Development purchased the rights to 22 homes while First Eagle Development will build the remaining 12 duplex units. The first permits were issued in September 2014 with purchasers for both sides of the duplex.

William Ryan Homes ("WRH") has purchased the remaining 167 lots at Stone Bluff. Plans call for them and their partner, NVR Homes to offer an impressive array of models to complete the subdivision which they will rename Renwick Place. WRH hopes to begin constructing two model homes by the end of 2014 in this subdivision.

Unlike many surrounding communities, the Village escaped the residential development slow down with only two vacant subdivisions. The Village has been able to gain control over these residential subdivisions by remaining diligent in respect to the developer's obligations and complete them by pulling their bonds. Both subdivisions have streets, sidewalks, lighting, and other infrastructure improvements due to the Village's persistent efforts.

In 2009, Senior Star of Romeoville headquartered in Tulsa, Oklahoma, completed development of a 500 unit senior citizens complex at Grand Haven Boulevard and Weber Roads, with a complete continuum of care for elderly adults. This development also includes a 50,000 square foot Memory Care facility across from the assisted living portion of the site.

Downtown Activity

Although the Village lacks a “traditional” downtown area, it has obtained a 40-acre area of land in the older part of town that is defined as the ‘downtown’. The site was originally developed in the mid 1960’s but over the years it has seen disinvestment and high vacancies. Much of the retail development moved westward to locate along Weber Road, the retail corridor in the Village. The Village has demolished the deteriorating shopping center to make way for its 76,000 square foot community center that opened in early 2014.

There is an award winning Uptown Square Plan in place that anticipates a future small scale grocer, restaurants and retail. The Village intends for the Uptown Square area to be a place for residents to gather, shop and dine.

The community center and other downtown revitalization projects, funded solely through TIF dollars and/or tax increment bonds, include storm water improvements, land acquisition, streetscape improvements, road improvements, economic incentives and building renovations. The Village spent most of 2009 and 2010 preparing a Comprehensive Economic Development Strategy, updating our 2001 Comprehensive Plan, adopting a new Transportation Plan and updating a Marketing Strategy to attract investment even as the credit crisis waned. We believe our realistic planning and budgeting by the Village will help keep the community stable and growing for years to come.

SOCIOECONOMIC INFORMATION

Employment

Substantial employment is available in surrounding communities and throughout the Chicago metropolitan area. Numerous employers are located within the Village and in surrounding communities.

The following employment data shows a consistently diverse and strong growth trend for employment in Will County. This data is **NOT** comparable to similar U.S. Census statistics, which would include government employment, and establishments not covered by the Illinois Unemployment Insurance Program, and could classify employment categories differently.

Will County Private, Non-Agricultural Employment Covered by the Illinois Unemployment Insurance Act(1)

| | (Data as of March for each Year) | | | | |
|--|----------------------------------|---------|---------|---------|---------|
| | 2009 | 2010 | 2011 | 2012 | 2013 |
| Farm and Forestry..... | 261 | 243 | 233 | 263 | 249 |
| Mining and Construction | 10,997 | 9,743 | 9,500 | 9,802 | 10,000 |
| Manufacturing | 19,307 | 18,185 | 19,544 | 19,512 | 19,887 |
| Transportation, Communications, Utilities..... | 13,320 | 13,461 | 14,366 | 14,616 | 15,659 |
| Wholesale Trade | 12,026 | 12,605 | 12,854 | 13,141 | 12,928 |
| Retail Trade..... | 25,863 | 26,059 | 26,716 | 27,673 | 26,571 |
| Finance, Insurance, Real Estate | 6,754 | 7,875 | 7,638 | 8,052 | 6,996 |
| Services(2) | 65,779 | 67,323 | 70,479 | 74,280 | 79,063 |
| Total | 154,307 | 155,494 | 161,330 | 167,339 | 171,353 |
| Percent Change | 4.02%(3) | 0.77% | (3.75%) | 3.72% | 24.0% |

Notes: (1) Source: Illinois Department of Employment Security.
(2) Includes unclassified establishments.
(3) Percent increase based on 160,771 employment in 2008.

Following are lists of large employers located in the Village and the surrounding areas. Additional employment opportunities are available to Village residents throughout the Chicago metropolitan area.

Major Village Employers(1)

| <u>Name</u> | <u>Product/Service</u> | <u>Approximate Employment</u> |
|---|---|-------------------------------|
| Valley View Community School District Number 365U | Elementary and Secondary Education | 2000 |
| Citgo Refinery | Fuels | 800 |
| Kehe Food Distributors, Inc. | Groceries | 700 |
| Lewis University | University | 600 |
| Aryzta/Great Kitchens | Food Processing and Manufacturing | 600 |
| Wal-Mart | Retail Store | 550 |
| RTC Industries | Retail System Manufacturer | 530 |
| Lockport Township High School District Number 205 | Secondary Education | 500 |
| Village of Romeoville(2) | Government | 437 |
| Magid Glove and Safety | Safety Equipment | 400 |
| Kennedy Transportation Co. | National Trucking Transportation and Logistics Services | 348 |
| Chicago Tube and Iron Co. | Company Headquarters; Tubing; Valves | 325 |
| Samsung | Electronic Equipment | 300 |
| FedEx | Ground Package Distribution System | 300 |
| Lifetime Fitness | Fitness Center | 275 |
| Ulta Salon Cosmetics Fragrance, Inc. | Salon Cosmetics and Fragrances Corporate Office | 250 |
| Levy Home Entertainment LLC | Books, Periodicals, Newspapers | 225 |
| Target | Retail Store | 220 |
| Florstar Sales, Inc. | Wholesale Floor Covering Distributor | 220 |
| Fleetwood, Inc. | Material Handling and Mechanical Conveyors | 200 |

- Notes: (1) Source: 2014 Illinois Manufacturers Directory, 2014 Illinois Services Directory and a selected telephone survey.
(2) Includes full-time and part-time employees.

Major Area Employers(1)

| <u>Location</u> | <u>Name</u> | <u>Product/Service</u> | <u>Approximate Employment</u> |
|------------------|---|---|-------------------------------|
| Naperville | Edward-Elmhurst Healthcare | General Hospital | 4,500 |
| Argonne | Argonne National Laboratory | Research and Development | 3,125 |
| Naperville | Alcatel Lucent Technologies | Telecommunications | 3,000 |
| Joliet | Provena St. Joseph Medical Center | Regional Medical Center | 2,430 |
| Joliet | Will County | County Government | 2,400 |
| Joliet | State of Illinois(2) | State Government Offices | 2,350 |
| Naperville | Nicor Gas | Gas Transmission and Distribution | 2,264 |
| New Lenox | Silver Cross Hospital | General Hospital | 2,200 |
| Joliet | Caterpillar, Inc. | Heavy Tractors and Earth Moving Equipment | 2,000 |
| Joliet | Hollywood Casino | Casinos, Hotels, Resorts & Riverboats | 2,000 |
| Aurora | Rush Copely Medical Center | Hospital | 2,000 |
| Naperville | BP Naperville Complex | Chemical and Petrochemical Research | 1,600 |
| Naperville | Office Max, Inc. | Stationary and Office Supplies | 1,500 |
| Aurora | Provena Mercy Medical Center | Hospital | 1,300 |
| Naperville | Nalco Co. | Research and Development | 1,200 |
| Aurora | Dreyer Medical Clinic | Medical Services | 1,200 |
| Joliet | University of St. Francis | University | 1,100 |

- Notes: (1) Source: 2014 Illinois Manufacturers Directory, 2014 Illinois Services Directory and a selective telephone survey.
(2) Includes all of Will County.

The following tables show employment by industry and by occupation for the Village, Will County (the "County") and the State of Illinois (the "State") as reported by the U.S. Census Bureau 2008-2012 American Community Survey 5-year estimated values.

Employment By Industry(1)

| Classification | The Village | | The County | | The State | |
|---|-------------|---------|------------|---------|-----------|---------|
| | Number | Percent | Number | Percent | Number | Percent |
| Agriculture, Forestry, Fishing and Hunting, and Mining | 0 | 0.0% | 1,385 | 0.4% | 63,512 | 1.1% |
| Construction | 1,010 | 5.5% | 20,801 | 6.4% | 324,722 | 5.4% |
| Manufacturing | 2,735 | 14.9% | 39,165 | 12.1% | 767,822 | 12.7% |
| Wholesale Trade | 769 | 4.2% | 11,599 | 3.6% | 189,003 | 3.1% |
| Retail Trade | 2,123 | 11.6% | 38,425 | 11.8% | 658,236 | 10.9% |
| Transportation and Warehousing, and Utilities | 1,753 | 9.6% | 24,523 | 7.6% | 352,325 | 5.8% |
| Information | 418 | 2.3% | 6,682 | 2.1% | 130,769 | 2.2% |
| Finance and Insurance, and Real Estate and Rental and Leasing | 1,055 | 5.8% | 23,392 | 7.2% | 457,654 | 7.6% |
| Professional, Scientific, and Management, Administrative, and Waste Management Services | 1,886 | 10.3% | 35,101 | 10.8% | 668,506 | 11.1% |
| Educational Services and Health Care and Social Assistance | 3,544 | 19.4% | 70,314 | 21.7% | 1,362,901 | 22.6% |
| Arts, Entertainment and Recreation and Accommodation and Food Services | 1,752 | 9.6% | 26,517 | 8.2% | 532,147 | 8.8% |
| Other Services, Except Public Administration | 795 | 4.3% | 14,370 | 4.4% | 292,913 | 4.9% |
| Public Administration | 474 | 2.6% | 12,135 | 3.7% | 234,916 | 3.9% |
| Total | 18,314 | 100.0% | 324,409 | 100.0% | 6,035,426 | 100.0% |

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2008 to 2012.

Employment By Occupation(1)

| Classification | The Village | | The County | | The State | |
|--|-------------|---------|------------|---------|-----------|---------|
| | Number | Percent | Number | Percent | Number | Percent |
| Management, Business, Science and Arts | 5,457 | 29.8% | 115,953 | 35.7% | 2,181,574 | 36.1% |
| Service | 3,120 | 17.0% | 49,835 | 15.4% | 1,028,655 | 17.0% |
| Sales and Office | 4,647 | 25.4% | 85,862 | 26.5% | 1,526,612 | 25.3% |
| Natural Resources, Construction, and Maintenance | 1,567 | 8.6% | 29,096 | 9.0% | 462,090 | 7.7% |
| Production, Transportation, and Material Moving | 3,523 | 19.2% | 43,663 | 13.5% | 836,495 | 13.9% |
| Total | 18,314 | 100.0% | 324,409 | 100.0% | 6,035,426 | 100.0% |

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2008 to 2012.

Unemployment Rates

Unemployment rates for the Village, Will County and the State of Illinois as shown below.

Annual Average Unemployment Rates(1)

| Calendar Year | The Village | The County | The State |
|---------------|-------------|------------|-----------|
| 2004 | 6.2% | 5.9% | 6.2% |
| 2005 | 5.6% | 5.5% | 5.7% |
| 2006 | 4.2% | 4.3% | 4.5% |
| 2007 | 4.7% | 4.7% | 5.0% |
| 2008 | 6.2% | 6.1% | 6.4% |
| 2009 | 10.3% | 10.2% | 10.1% |
| 2010 | 10.5% | 10.7% | 10.5% |
| 2011 | 9.8% | 10.1% | 9.8% |
| 2012 | 9.0% | 9.0% | 8.1% |
| 2013 | 9.3% | 9.4% | 9.4% |
| 2014(2) | 7.8% | 7.3% | 7.1% |

Notes: (1) Source: Illinois Department of Employment Security.
(2) Preliminary rate for the month of June 2014.

Building Permits

Village Building Permits(1) (Excludes the Value of Land)

| Calendar Year | Single-Family(2) | | Multi-Family(3) | | Miscellaneous | Total |
|---------------|------------------|--------------|-----------------|--------------|---------------|--------------|
| | Units | Value | Units | Value | Value(4) | Value |
| 2003..... | 574 | \$48,290,855 | 117 | \$10,125,226 | \$ 4,770,005 | \$63,186,086 |
| 2004..... | 314 | 27,849,136 | 116 | 10,410,344 | 10,583,377 | 48,842,857 |
| 2005..... | 55 | 4,928,375 | 135 | 12,378,736 | 12,552,454 | 29,859,565 |
| 2006..... | 54 | 8,648,892 | 59 | 4,939,301 | 1,929,333 | 15,517,526 |
| 2007..... | 42 | 9,723,433 | 14 | 3,668,467 | 2,809,854 | 16,201,754 |
| 2008..... | 20 | 4,027,479 | 347 | 35,890,503 | 2,349,933 | 42,267,915 |
| 2009..... | 10 | 2,070,293 | 0 | 0 | 1,761,448 | 3,831,741 |
| 2010..... | 11 | 2,548,853 | 0 | 0 | 1,829,483 | 4,378,336 |
| 2011..... | 5 | 1,055,427 | 0 | 0 | 1,714,681 | 2,770,108 |
| 2012..... | 10 | 2,169,469 | 0 | 0 | 2,051,287 | 4,220,756 |
| 2013..... | 24 | 4,140,235 | 0 | 0 | 2,740,550 | 6,880,785 |

- Notes: (1) Source: Village of Romeoville Community Development Department.
 (2) Single-Family includes detached units and duplexes
 (3) Multi-Family includes townhomes with more than 2 attached units, apartment buildings, and group quarters.
 (4) Miscellaneous value includes residential remodels, garages, and accessory structures like sheds, decks, pools, porches, patios and driveways.

Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the Village's owner-occupied homes was \$187,300. This compares to \$228,900 for the County and \$190,800 for the State. The following table represents the five year average market value of specified owner-occupied units for the Village, the County and the State at the time of the 2008-2012 American Community Survey.

Specified Owner-Occupied Units(1)

| Value | The Village | | The County | | The State | |
|-----------------------------|-------------|---------|------------|---------|-----------|---------|
| | Number | Percent | Number | Percent | Number | Percent |
| Under \$50,000..... | 218 | 2.2% | 4,766 | 2.6% | 224,361 | 6.9% |
| \$50,000 to \$99,999..... | 266 | 2.6% | 7,711 | 4.2% | 468,659 | 14.4% |
| \$100,000 to \$149,999..... | 2,038 | 20.2% | 21,865 | 11.8% | 482,500 | 14.9% |
| \$150,000 to \$199,999..... | 3,353 | 33.2% | 38,992 | 21.0% | 531,538 | 16.4% |
| \$200,000 to \$299,999..... | 3,540 | 35.1% | 59,505 | 32.0% | 712,975 | 21.9% |
| \$300,000 to \$499,999..... | 655 | 6.5% | 41,747 | 22.5% | 563,122 | 17.3% |
| \$500,000 to \$999,999..... | 0 | 0.0% | 10,265 | 5.5% | 214,681 | 6.6% |
| \$1,000,000 or more..... | 15 | 0.1% | 820 | 0.4% | 50,685 | 1.6% |
| Total..... | 10,085 | 100.0% | 185,671 | 100.0% | 3,248,521 | 100.0% |

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2008 to 2012.

Mortgage Status(1)

| Value | The Village | | The County | | The State | |
|---------------------------------------|-------------|---------|------------|---------|-----------|---------|
| | Number | Percent | Number | Percent | Number | Percent |
| Housing Units with a Mortgage..... | 8,265 | 82.0% | 146,703 | 79.0% | 2,238,082 | 68.9% |
| Housing Units without a Mortgage..... | 1,820 | 18.0% | 38,968 | 21.0% | 1,010,439 | 31.1% |
| Total..... | 10,085 | 100.0% | 185,671 | 100.0% | 3,248,521 | 100.0% |

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2008 to 2012.

Income

Per Capita Personal Income for the Ten Highest Income Counties in the State(1)

| <u>Rank</u> | | <u>2008-2012</u> |
|-------------|--------------------|------------------|
| 1 | DuPage County | \$38,398 |
| 2 | Lake County | 38,248 |
| 3 | McHenry County | 32,408 |
| 4 | Monroe County | 32,334 |
| 5 | Kendall County | 31,856 |
| 6 | Will County | 30,407 |
| 7 | Woodford County | 30,401 |
| 8 | Cook County | 30,048 |
| 9 | McLean County | 29,960 |
| 10 | Kane County | 29,730 |

Note: (1) Source: U.S. Bureau of the Census. 2008-2012 American Community 5-Year Estimates.

The following shows a ranking of median family income for the Chicago metropolitan area from the 2008-2012 American Community Survey.

Ranking of Median Family Income(1)

| <u>The County</u> | <u>Family Income</u> | <u>Rank</u> |
|--------------------|----------------------|-------------|
| DuPage County | \$95,204 | 1 |
| Kendall County | 93,153 | 2 |
| Lake County | 92,952 | 3 |
| McHenry County | 88,370 | 4 |
| Will County | 86,953 | 5 |
| Kane County | 78,892 | 9 |
| Cook County | 66,124 | 22 |

Note: (1) Source: U.S. Bureau of the Census. 2008-2012 American Community 5-Year Estimates.

The U.S. Census Bureau 5-year estimated values reported that the Village had a median family income of \$73,613. This compares to \$86,953 for the County and \$70,144 for the State. The following table represents the distribution of family incomes for the Village, the County and the State at the time of the 2008-2012 American Community Survey.

Median Family Income(1)

| <u>Income</u> | <u>The Village</u> | | <u>The County</u> | | <u>The State</u> | |
|------------------------|--------------------|----------------|-------------------|----------------|------------------|----------------|
| | <u>Number</u> | <u>Percent</u> | <u>Number</u> | <u>Percent</u> | <u>Number</u> | <u>Percent</u> |
| Under \$10,000 | 281 | 2.9% | 3,839 | 2.2% | 133,818 | 4.3% |
| \$10,000 to \$14,999 | 40 | 0.4% | 2,499 | 1.5% | 86,974 | 2.8% |
| \$15,000 to \$24,999 | 418 | 4.4% | 8,026 | 4.7% | 223,395 | 7.1% |
| \$25,000 to \$34,999 | 662 | 6.9% | 9,406 | 5.5% | 257,777 | 8.2% |
| \$35,000 to \$49,999 | 1,134 | 11.9% | 16,390 | 9.5% | 382,988 | 12.2% |
| \$50,000 to \$74,999 | 2,437 | 25.5% | 30,852 | 17.9% | 593,133 | 18.9% |
| \$75,000 to \$99,999 | 1,789 | 18.8% | 30,201 | 17.6% | 477,963 | 15.2% |
| \$100,000 to \$149,999 | 2,309 | 24.2% | 41,034 | 23.9% | 553,559 | 17.6% |
| \$150,000 to \$199,999 | 287 | 3.0% | 17,524 | 10.2% | 218,124 | 6.9% |
| \$200,000 or more | 182 | 1.9% | 12,227 | 7.1% | 214,616 | 6.8% |
| Total | 9,539 | 100.0% | 171,998 | 100.0% | 3,142,347 | 100.0% |

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2008 to 2012.

The U.S. Census Bureau 5-year estimated values reported that the Village had a median household income of \$70,541. This compares to \$76,352 for the County and \$56,853 for the State. The following table represents the distribution of household incomes for the Village, the County and the State at the time of the 2008-2012 American Community Survey.

Median Household Income(1)

| Income | The Village | | The County | | The State | |
|-----------------------------|-------------|---------|------------|---------|-----------|---------|
| | Number | Percent | Number | Percent | Number | Percent |
| Under \$10,000..... | 388 | 3.3% | 6,937 | 3.1% | 329,319 | 6.9% |
| \$10,000 to \$14,999..... | 211 | 1.8% | 5,584 | 2.5% | 223,692 | 4.7% |
| \$15,000 to \$24,999..... | 530 | 4.5% | 15,502 | 7.0% | 481,833 | 10.1% |
| \$25,000 to \$34,999..... | 875 | 7.5% | 15,550 | 7.0% | 460,909 | 9.7% |
| \$35,000 to \$49,999..... | 1,554 | 13.3% | 24,149 | 10.9% | 622,840 | 13.0% |
| \$50,000 to \$74,999..... | 3,004 | 25.7% | 41,249 | 18.6% | 870,399 | 18.2% |
| \$75,000 to \$99,999..... | 2,002 | 17.1% | 35,206 | 15.9% | 622,617 | 13.0% |
| \$100,000 to \$149,999..... | 2,545 | 21.8% | 46,059 | 20.7% | 665,711 | 13.9% |
| \$150,000 to \$199,999..... | 383 | 3.3% | 18,816 | 8.5% | 250,681 | 5.3% |
| \$200,000 or more..... | 193 | 1.7% | 13,040 | 5.9% | 246,274 | 5.2% |
| Total..... | 11,685 | 100.0% | 222,092 | 100.0% | 4,774,275 | 100.0% |

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2008 to 2012.

Retail Activity

The table below shows the distribution of the municipal portion of the Retailers' Occupation, Service Occupation and Use Tax ("Sales Tax") collected by the Illinois Department of Revenue from retailers within the Village. The table indicates the level of retail activity in the Village.

Retailers' Occupation, Service Occupation and Use Tax(1)

| State Fiscal Year Ending June 15 | State Sales Tax Distributions(2) | Annual Percent Change + (-) |
|-------------------------------------|-------------------------------------|--------------------------------|
| 2005..... | \$3,606,587 | 18.62%(3) |
| 2006..... | 3,484,081 | (3.40%) |
| 2007..... | 3,513,645 | 0.85% |
| 2008..... | 4,252,547 | 21.03% |
| 2009..... | 4,224,703 | (0.65%) |
| 2010..... | 4,011,997 | (5.03%) |
| 2011..... | 4,208,452 | 4.90% |
| 2012..... | 4,375,415 | 3.97% |
| 2013..... | 4,284,329 | (2.08%) |
| 2014..... | 4,551,438 | 6.23% |
| Growth from 2005 to 2014..... | | 26.20% |

- Notes: (1) Source: Illinois Department of Revenue.
 (2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the Village, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.
 (3) The 2005 percentage is based on a 2004 sales tax of \$3,040,327.

PLAN OF FINANCING

Bond proceeds will be used to fund an escrow to currently refund a portion of the Village's outstanding 2004 Bonds, as listed below (the "Refunded Bonds"):

The Refunded Bonds General Obligation Bonds, Series 2004

| Maturity or Mandatory Redemption Dates | Outstanding Amounts | Amount Refunded | Redemption Price | Redemption Date |
|---|------------------------|--------------------|---------------------|--------------------|
| 12/30/2014..... | \$ 2,095,000 | \$ 0 | NA | NA |
| 12/30/2015..... | 2,120,000 | 1,045,000 | 100.00% | 12/30/2014 |
| 12/30/2016..... | 2,205,000 | 2,205,000 | 100.00% | 12/30/2014 |
| 12/30/2017..... | 2,235,000 | 2,235,000 | 100.00% | 12/30/2014 |
| 12/30/2018..... | 1,385,000 | 1,385,000 | 100.00% | 12/30/2014 |
| 12/30/2019(1)..... | 425,000 | 425,000 | 100.00% | 12/30/2014 |
| 12/30/2020(1)..... | 445,000 | 445,000 | 100.00% | 12/30/2014 |
| 12/30/2021..... | 470,000 | 470,000 | 100.00% | 12/30/2014 |
| 12/30/2022(2)..... | 490,000 | 490,000 | 100.00% | 12/30/2014 |
| 12/30/2023(2)..... | 515,000 | 515,000 | 100.00% | 12/30/2014 |
| 12/30/2024..... | 545,000 | 545,000 | 100.00% | 12/30/2014 |
| Total..... | \$12,930,000 | \$9,760,000 | | |

- Notes: (1) Mandatory redemption of 2021 term bond.
(2) Mandatory redemption of 2024 term bond.

Bond proceeds will be used to purchase direct full faith and credit obligations of the United States of America (the "Government Securities"), the principal of which together with interest to be earned thereon will be sufficient (i) to pay when due the interest on the Refunded Bonds as stated above, and (ii) to pay principal of and call premium, if any, on the Refunded Bonds on their respective redemption dates. The remaining bond proceeds will be used to pay the costs of issuing the Bonds.

The Government Securities will be held in an escrow account created pursuant to an escrow letter agreement (the "Escrow Agreement") dated as of the day of delivery, between the Village and Amalgamated Bank of Chicago, Chicago, Illinois, as Escrow Agent (the "Escrow Agent").

All moneys and Government Securities deposited for the payment of Refunded Bonds, including interest thereon, are required to be applied solely and irrevocably to the payment of the Refunded Bonds.

DEBT INFORMATION

After issuance of the Bonds, and the refunding of the 2004 Bonds, the Village will have outstanding \$100,395,884 principal amount of general obligation debt. The Village does not expect to issue debt in the near future.

Outstanding General Obligation Bonded Debt(1) (Page 1 of 2)

| Calendar Year | Series 2004 | Series 2005 | Series 2007A | Series 2007B | Series 2008A | Series 2008B (CAB) | Series 2008C |
|---------------|--------------|-------------|--------------|--------------|--------------|--------------------|--------------|
| 2014 | \$ 2,095,000 | \$325,000 | \$ 590,000 | \$ | \$1,175,000 | \$ | \$ 375,000 |
| 2015 | 2,120,000 | 330,000 | 620,000 | 0 | 1,575,000 | 0 | 400,000 |
| 2016 | 2,205,000 | 0 | 640,000 | 0 | 2,050,000 | 0 | 735,000 |
| 2017 | 2,235,000 | 0 | 675,000 | 2,000,000 | 700,000 | 0 | 770,000 |
| 2018 | 1,385,000 | 0 | 0 | 2,225,000 | 1,150,000 | 0 | 1,245,000 |
| 2019 | 0 | 0 | 0 | 3,925,000 | 1,000,000 | 0 | 0 |
| 2020 | 0 | 0 | 0 | 4,750,000 | 450,000 | 0 | 0 |
| 2021 | 1,340,000 | 0 | 0 | 0 | 0 | 2,779,425 | 0 |
| 2022 | 0 | 0 | 0 | 0 | 0 | 2,846,160 | 0 |
| 2023 | 0 | 0 | 0 | 0 | 0 | 2,675,040 | 0 |
| 2024 | 1,550,000 | 0 | 0 | 0 | 0 | 2,506,740 | 0 |
| 2025 | 0 | 0 | 0 | 0 | 0 | 2,545,205 | 0 |
| 2026 | 0 | 0 | 0 | 0 | 0 | 2,390,830 | 0 |
| 2027 | 0 | 0 | 0 | 0 | 0 | 2,243,605 | 0 |
| 2028 | 0 | 0 | 0 | 0 | 0 | 2,103,400 | 0 |
| 2029 | 0 | 0 | 0 | 0 | 0 | 1,974,180 | 0 |
| 2030 | 0 | 0 | 0 | 0 | 0 | 1,851,460 | 0 |
| 2031 | 0 | 0 | 0 | 0 | 0 | 1,739,010 | 0 |
| 2032 | 0 | 0 | 0 | 0 | 0 | 1,640,210 | 0 |
| 2033 | 0 | 0 | 0 | 0 | 0 | 1,546,740 | 0 |
| 2034 | 0 | 0 | 0 | 0 | 0 | 1,458,275 | 0 |
| 2035 | 0 | 0 | 0 | 0 | 0 | 1,374,620 | 0 |
| 2036 | 0 | 0 | 0 | 0 | 0 | 1,295,515 | 0 |
| 2037 | 0 | 0 | 0 | 0 | 0 | 1,220,765 | 0 |
| 2038 | 0 | 0 | 0 | 0 | 0 | 1,136,460 | 0 |
| 2039 | 0 | 0 | 0 | 0 | 0 | 1,008,244 | 0 |
| Total | \$12,930,000 | \$655,000 | \$2,525,000 | \$12,900,000 | \$8,100,000 | \$36,335,884 | \$3,525,000 |

Note: (1) Source: the Village.

(Continued on following page.)

Outstanding General Obligation Bonded Debt (1)
(Page 2 of 2)

| Calendar Year | Series 2009(2) | Series 2010 | Series 2012A | Series 2012B | Series 2013A | Series 2013B | Total Bonded Debt | Cumulative Retirement Amount | Cumulative Retirement Percent |
|---------------|----------------|-------------|--------------|--------------|--------------|--------------|-------------------|------------------------------|-------------------------------|
| 2014 | \$ 245,000 | \$570,000 | \$200,000 | \$ 0 | \$ 1,110,000 | \$ 0 | \$ 6,885,000 | \$ 6,885,000 | 6.62% |
| 2015 | 260,000 | 0 | 200,000 | 535,000 | 1,120,000 | 0 | 7,160,000 | 13,845,000 | 13.71% |
| 2016 | 270,000 | 0 | 210,000 | 595,000 | 1,140,000 | 0 | 7,845,000 | 21,690,000 | 21.48% |
| 2017 | 285,000 | 0 | 170,000 | 645,000 | 1,180,000 | 0 | 8,660,000 | 30,350,000 | 30.06% |
| 2018 | 300,000 | 0 | 0 | 0 | 1,200,000 | 0 | 7,505,000 | 37,855,000 | 37.48% |
| 2019 | 315,000 | 0 | 0 | 0 | 1,225,000 | 0 | 6,465,000 | 44,320,000 | 43.90% |
| 2020 | 330,000 | 0 | 0 | 0 | 1,255,000 | 0 | 6,785,000 | 51,105,000 | 50.62% |
| 2021 | 345,000 | 0 | 0 | 0 | 1,310,000 | 0 | 5,774,425 | 56,879,425 | 56.34% |
| 2022 | 365,000 | 0 | 0 | 0 | 1,345,000 | 0 | 4,556,160 | 61,435,585 | 60.85% |
| 2023 | 380,000 | 0 | 0 | 0 | 1,380,000 | 0 | 4,435,040 | 65,870,625 | 65.24% |
| 2024 | 400,000 | 0 | 0 | 0 | 605,000 | 725,000 | 5,786,740 | 71,657,365 | 70.98% |
| 2025 | 420,000 | 0 | 0 | 0 | 0 | 1,450,000 | 4,415,205 | 76,072,570 | 75.35% |
| 2026 | 440,000 | 0 | 0 | 0 | 0 | 0 | 2,830,830 | 78,903,400 | 78.15% |
| 2027 | 465,000 | 0 | 0 | 0 | 0 | 0 | 2,708,605 | 81,612,005 | 80.84% |
| 2028 | 490,000 | 0 | 0 | 0 | 0 | 0 | 2,593,400 | 84,205,405 | 83.40% |
| 2029 | 510,000 | 0 | 0 | 0 | 0 | 0 | 2,484,180 | 86,689,585 | 85.86% |
| 2030 | 0 | 0 | 0 | 0 | 0 | 0 | 1,851,460 | 88,541,045 | 87.70% |
| 2031 | 0 | 0 | 0 | 0 | 0 | 0 | 1,739,010 | 90,280,055 | 89.42% |
| 2032 | 0 | 0 | 0 | 0 | 0 | 0 | 1,640,210 | 91,920,265 | 91.05% |
| 2033 | 0 | 0 | 0 | 0 | 0 | 0 | 1,546,740 | 93,467,005 | 92.58% |
| 2034 | 0 | 0 | 0 | 0 | 0 | 0 | 1,458,275 | 94,925,280 | 94.02% |
| 2035 | 0 | 0 | 0 | 0 | 0 | 0 | 1,374,620 | 96,299,900 | 95.38% |
| 2036 | 0 | 0 | 0 | 0 | 0 | 0 | 1,295,515 | 97,595,415 | 96.67% |
| 2037 | 0 | 0 | 0 | 0 | 0 | 0 | 1,220,765 | 98,816,180 | 97.88% |
| 2038 | 0 | 0 | 0 | 0 | 0 | 0 | 1,136,460 | 99,952,640 | 99.00% |
| 2039 | 0 | 0 | 0 | 0 | 0 | 0 | 1,008,244 | 100,960,884 | 100.00% |
| Total | \$5,820,000 | \$570,000 | \$780,000 | \$1,775,000 | \$12,870,000 | \$2,175,000 | \$100,960,884 | | |

Notes: (1) Source: the Village.
(2) General obligation bonds but expected to be paid from Recreation Real Estate Transfer Tax.

General Obligation Bonded Debt(1)
(After the Refunding – Principal Only)

| Calendar Year | Outstanding Bonded Debt(2) | The Bonds | Less: Refunded Bonds | Total Bonded Debt | Cumulative Retirement | |
|------------------|----------------------------------|--------------|----------------------------|-------------------------|-----------------------|---------|
| | | | | | Amount | Percent |
| 2014 | \$ 6,685,000 | \$ 0 | \$ 0 | \$ 6,685,000 | \$ 6,685,000 | 6.66% |
| 2015 | 7,160,000 | 1,010,000 | (1,045,000) | 7,125,000 | 13,810,000 | 13.76% |
| 2016 | 7,845,000 | 2,210,000 | (2,205,000) | 7,850,000 | 21,660,000 | 21.57% |
| 2017 | 8,660,000 | 2,220,000 | (2,235,000) | 8,645,000 | 30,305,000 | 30.19% |
| 2018 | 7,505,000 | 1,345,000 | (1,385,000) | 7,465,000 | 37,770,000 | 37.62% |
| 2019 | 6,465,000 | 370,000 | (425,000) | 6,410,000 | 44,180,000 | 44.01% |
| 2020 | 6,785,000 | 380,000 | (445,000) | 6,720,000 | 50,900,000 | 50.70% |
| 2021 | 5,774,425 | 395,000 | (470,000) | 5,699,425 | 56,599,425 | 56.38% |
| 2022 | 4,556,160 | 405,000 | (490,000) | 4,471,160 | 61,070,585 | 60.83% |
| 2023 | 4,435,040 | 420,000 | (515,000) | 4,340,040 | 65,410,625 | 65.15% |
| 2024 | 5,786,740 | 440,000 | (545,000) | 5,681,740 | 71,092,365 | 70.81% |
| 2025 | 4,415,205 | 0 | 0 | 4,415,205 | 75,507,570 | 75.21% |
| 2026 | 2,830,830 | 0 | 0 | 2,830,830 | 78,338,400 | 78.03% |
| 2027 | 2,708,605 | 0 | 0 | 2,708,605 | 81,047,005 | 80.73% |
| 2028 | 2,593,400 | 0 | 0 | 2,593,400 | 83,640,405 | 83.31% |
| 2029 | 2,484,180 | 0 | 0 | 2,484,180 | 86,124,585 | 85.78% |
| 2030 | 1,851,460 | 0 | 0 | 1,851,460 | 87,976,045 | 87.63% |
| 2031 | 1,739,010 | 0 | 0 | 1,739,010 | 89,715,055 | 89.36% |
| 2032 | 1,640,210 | 0 | 0 | 1,640,210 | 91,355,265 | 91.00% |
| 2033 | 1,546,740 | 0 | 0 | 1,546,740 | 92,902,005 | 92.54% |
| 2034 | 1,458,275 | 0 | 0 | 1,458,275 | 94,360,280 | 93.99% |
| 2035 | 1,374,620 | 0 | 0 | 1,374,620 | 95,734,900 | 95.36% |
| 2036 | 1,295,515 | 0 | 0 | 1,295,515 | 97,030,415 | 96.65% |
| 2037 | 1,220,765 | 0 | 0 | 1,220,765 | 98,251,180 | 97.86% |
| 2038 | 1,136,460 | 0 | 0 | 1,136,460 | 99,387,640 | 99.00% |
| 2039 | 1,008,244 | 0 | 0 | 1,008,244 | 100,395,884 | 100.00% |
| Total | \$100,960,884 | \$9,195,000 | \$(9,760,000) | \$100,395,884 | | |

Notes: (1) Source: the Village.
(2) See Outstanding General Obligation Bonded Debt table herein.

General Obligation Bonded Debt – By Issue(1)

| Issue | Amount | Source of Debt Service Payments |
|-------------------|---------------|------------------------------------|
| Series 2004(2) | \$ 3,170,000 | Property Taxes |
| Series 2005 | 655,000 | Property Taxes |
| Series 2007A | 2,525,000 | Property Taxes |
| Series 2007B | 12,900,000 | Property Taxes |
| Series 2008A | 8,100,000 | Property Taxes |
| Series 2008B | 36,335,884 | Property Taxes |
| Series 2008C | 3,525,000 | Property Taxes |
| Series 2009(3) | 5,820,000 | Property Taxes |
| Series 2010 | 570,000 | Property Taxes |
| Series 2012A | 780,000 | Property Taxes |
| Series 2012B | 1,775,000 | Property Taxes |
| Series 2013A | 12,870,000 | Property Taxes |
| Series 2013B | 2,175,000 | Property Taxes |
| The Bonds | 9,195,000 | Property Taxes |
| Total Outstanding | \$100,395,884 | |

Notes: (1) Source: the Village.
(2) Does not include bonds expected to be refunded.
(3) The Series 2009 Bonds are general obligation bonds but are expected to be paid from the Real Estate Transfer Tax.

Detailed Overlapping Bonded Debt(1)

| | Outstanding Debt(2) | Applicable to Village | |
|---|------------------------|-----------------------|---------------------|
| | | Percent(3) | Amount |
| Schools: | | | |
| School District Number 88-A..... | \$ 28,010,000 | 18.80% | \$ 5,265,880 |
| School District Number 92..... | 1,540,000 | 21.93% | 337,722 |
| School District Number 202..... | 311,370,000 | 8.79% | 27,369,423 |
| School District Number 365-U..... | 146,697,518 | 27.62% | 40,517,854 |
| High School District Number 205..... | 9,250,707 | 9.07% | 839,039 |
| Community College District Number 525..... | 199,805,000 | 5.76% | 11,508,768 |
| Total Schools..... | | | \$85,838,687 |
| Will County (4)..... | \$ 0 | 5.69% | \$ 0 |
| Will County Forest Preserve District..... | 143,835,000 | 5.69% | 8,184,212 |
| Fountaindale Library District..... | 36,200,000 | 0.15% | 54,300 |
| Lemont Park District..... | 13,340,000 | 0.04% | 5,336 |
| Lockport Park District..... | 3,241,000 | 25.68% | 832,289 |
| Plainfield Park District..... | 4,575,000 | 5.34% | 244,305 |
| Total Others..... | | | \$ 9,320,441 |
| Total Schools and Other Overlapping Bonded Debt..... | | | \$95,159,128 |

(1) Source: Will County Clerk.

(2) As of May 14, 2014.

(3) Overlapping debt percentages based on 2013 EAV, the most current available.

(4) Will County debt of \$135,835,000 is self-supporting, so it is not included in the table.

Statement of Bonded Indebtedness(1)

| | Amount Applicable | Ratio To | | Per Capita (2010 Census 39,680) |
|--|-----------------------|-----------------------|---------------------|---------------------------------------|
| | | Equalized Assessed | Estimated Actual | |
| Village EAV of Taxable Property, 2013..... | \$1,033,551,111 | 100.00% | 33.33% | \$26,047.16 |
| Estimated Actual Value, 2013..... | \$3,100,653,333 | 300.00% | 100.00% | \$78,141.47 |
| Total Direct Debt (2)(3)..... | \$ 100,395,884 | 9.71% | 3.24% | \$ 2,530.14 |
| Overlapping Bonded Debt (4): | | | | |
| Schools..... | \$ 85,838,687 | 8.31% | 2.77% | \$ 2,163.27 |
| Other..... | 9,320,441 | 0.90% | 0.30% | 234.89 |
| Total Overlapping Bonded Debt..... | \$ 95,159,128 | 9.21% | 3.07% | \$ 2,398.16 |
| Total Net Direct and Overlapping Bonded Debt..... | \$ 195,555,012 | 18.92% | 6.31% | \$ 4,928.30 |

Notes: (1) Source: Will County Clerk and the Village.

(2) Includes the Bonds; excludes bonds to be refunded.

(3) The Village plans to use property taxes to pay the Series 2010, 2012A and 2012B bonds. Water and sewer funds will be used to pay the Series 2005, 2007A, 2008C bonds and a portion of the Bonds. General corporate funds, excluding property taxes, will pay the Series 2007B, 2008A, 2008B, 2009 bonds and a portion of the Bonds. The Village will use Downtown Tax Increment Finance bonds to pay the Series 2013A and 2013B bonds.

(4) Debt as of May 14, 2014.

Default History

The Village has never issued any obligations to avoid default; nor has the Village ever defaulted in the payment of any of its corporate obligations.

PROPERTY ASSESSMENT AND TAX INFORMATION

For the 2013 levy year, the Village's EAV is comprised of approximately 47% residential, 43% industrial, 9% commercial, and less than 1% farm and railroad property valuations.

Village Equalized Assessed Valuation(1)

| Property Class | Levy Years | | | | |
|---------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 |
| Residential | \$ 733,878,032 | \$ 684,151,001 | \$ 593,012,119 | \$ 536,896,483 | \$ 489,085,405 |
| Farm | 283,268 | 257,950 | 311,695 | 362,892 | 335,365 |
| Commercial | 115,555,659 | 120,416,770 | 114,159,834 | 107,944,426 | 103,124,075 |
| Industrial | 370,719,405 | 471,631,539 | 456,400,661 | 449,467,441 | 440,699,411 |
| Railroad | 201,870 | 227,501 | 271,276 | 286,429 | 306,855 |
| Total | \$1,220,638,234 | \$1,276,684,761 | \$1,164,155,585 | \$1,094,957,671 | \$1,033,551,111 |
| Percent Change +(-) | (0.62%)(2) | 4.59% | (8.81%) | (5.94%) | (5.61%) |

Notes: (1) Source: Will County Clerk.
(2) Percentage change based on 2008 EAV of \$1,228,262,980.

Representative Tax Rates(1) (Per \$100 EAV)

| | Levy Years | | | | |
|--|---------------|---------------|---------------|---------------|---------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 |
| Village Rates: | | | | | |
| Corporate | \$0.1871 | \$0.2382 | \$0.2610 | \$ 0.2723 | \$ 0.3016 |
| Street & Bridge | 0.0208 | 0.0247 | 0.0271 | 0.0288 | 0.0305 |
| Special Recreation | 0.0300 | 0.0200 | 0.0200 | 0.0200 | 0.0200 |
| Police Protection | 0.0431 | 0.0447 | 0.0490 | 0.0521 | 0.0552 |
| Fire Protection | 0.0378 | 0.0391 | 0.0000 | 0.0000 | 0.0000 |
| Ambulance | 0.0800 | 0.0828 | 0.0000 | 0.0000 | 0.0000 |
| Recreation | 0.1065 | 0.1168 | 0.1401 | 0.1501 | 0.1601 |
| Audit | 0.0061 | 0.0063 | 0.0069 | 0.0074 | 0.0049 |
| Garbage Disposal | 0.0460 | 0.0478 | 0.0524 | 0.0558 | 0.0591 |
| Social Security | 0.0982 | 0.1019 | 0.1117 | 0.1188 | 0.1258 |
| Police Pension | 0.1230 | 0.1218 | 0.1173 | 0.1328 | 0.1477 |
| Insurance | 0.1057 | 0.1097 | 0.1203 | 0.1279 | 0.1355 |
| Bonds & Interest | 0.0917 | 0.0684 | 0.0835 | 0.0858 | 0.0809 |
| Firemen Pension | 0.0410 | 0.0369 | 0.0000 | 0.0000 | 0.0000 |
| Total Village Rates(2) | \$1.0200 | \$1.0591 | \$0.9893(6) | \$ 1.0518(6) | \$ 1.1213(6) |
| Will County | 0.5024 | 0.5274 | 0.5551 | 0.5696 | 0.5994 |
| Will County Forest Preserve District | 0.1519 | 0.1567 | 0.1693 | 0.1859 | 0.1970 |
| Will County Building Commission | 0.0000 | 0.0000 | 0.0000 | 0.0212 | 0.0222 |
| Romeoville Mosquito Abatement District | 0.0107 | 0.0088 | 0.0000 | 0.0000 | 0.0000 |
| DuPage Township(3) | 0.0665 | 0.0662 | 0.0000 | 0.0000 | 0.0000 |
| Lockport Township(4) | 0.0000 | 0.0000 | 0.1788 | 0.2556 | 0.2209 |
| Lockport Fire District | 0.0000 | 0.0000 | 0.9644 | 1.0832 | 1.1893 |
| White Oak Library District | 0.0000 | 0.0000 | 0.2214 | 0.2422 | 0.2638 |
| Lockport Park District | 0.0000 | 0.0000 | 0.3860 | 0.4328 | 0.4720 |
| Romeoville Road and Bridge | 0.0000 | 0.0000 | 0.0466 | 0.0000 | 0.0624 |
| Des Plaines Valley Public Library | 0.1315 | 0.1966 | 0.0000 | 0.0000 | 0.0000 |
| Unit School District 365-U | 4.9435 | 5.2276 | 5.9062 | 6.7687 | 7.3668 |
| Community College District 525 | 0.2144 | 0.2270 | 0.2463 | 0.2768 | 0.2955 |
| Total Rates(5) | \$7.0409 | \$7.4694 | \$9.6634 | \$10.8878 | \$11.8106 |

Notes: (1) Source: Will County Clerk.
(2) As a home rule unit, the Village does not have limits on its levies.
(3) Includes Town Funds, Road Funds and General Assistance.
(4) Includes Town Funds and Road Funds.
(5) Representative tax rates for other government units are from Lockport Township tax code 1139 which represents the largest portion of the Village's 2013 EAV in levy years 2011 through 2013; prior years' are from DuPage Township tax code 1208.
(6) Village's combined 2011 rate is \$1.1593 and for 2012 is \$1.2293 and for 2013 is \$1.3086. The combined rate includes Fire Protection, Ambulance and Firemen Pension.

Village Tax Extensions and Collections(1) (Includes Road and Bridge Levy)

| Levy Year | Coll. Year | Taxes Extended(2) | Total Collections(3) | |
|--------------|---------------|----------------------|-------------------------|---------|
| | | | Amount | Percent |
| 2008..... | 2009 | \$10,828,838 | \$10,811,669 | 99.84% |
| 2009..... | 2010 | 10,770,827 | 10,716,165 | 99.49% |
| 2010..... | 2011 | 11,769,829 | 11,444,889 | 97.24% |
| 2011..... | 2012 | 11,792,490 | 11,734,441 | 99.51% |
| 2012..... | 2013 | 11,791,645 | 11,706,166 | 99.28% |
| 2013..... | 2014 | 11,887,718 | -----In Collection----- | |

- Notes: (1) Source: Will County Treasurer. Excludes Romeoville Fire District levy and collections.
(2) Tax extensions have been adjusted for abatements.
(3) Total collections include back taxes, taxpayer refunds, interest, etc.

Principal Village Taxpayers(1)

| Taxpayer Name | Business/Service | 2013 EAV(2) |
|---|---|---------------|
| PDV Midwest Refining | Refinery-Petroleum Products..... | \$149,599,716 |
| Hart I55 Industrial LLC I | Real Property | 23,206,806 |
| PLDAB LLC | Real Property | 14,305,000 |
| Prologis-Illinois LLC | Owner, Operator and Developer of Industrial Real Estate | 13,603,000 |
| Duke Secured Fin 2009-1ALZ LLC | Real Property | 10,334,100 |
| Pactiv Corp..... | Food Services; Direct Sales | 9,840,672 |
| Southcreek Industrial LLC | Real Property | 8,538,425 |
| LPF 740 | Warehouse | 8,330,405 |
| RREEF Amer REIT II Corp. | Real Property | 8,133,000 |
| JRC Remington/Et Al LLC's | Real Property | 8,116,900 |
| Total | | \$254,008,024 |
| Ten largest as a percent of the Village's 2013 EAV (\$1,033,551,111)..... | | 24.58% |

- Notes: (1) Source: Will County Clerk.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2013 EAV is the most current available.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Tax Levy and Collection Procedures

Local assessment officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local assessment officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year. Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are subject to a penalty of 1-1/2% per month until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax.

Exemptions

An annual General Homestead Exemption provides that the Equalized Assessed Valuation ("EAV") of certain property owned and used for residential purposes ("Residential Property") may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$3,500 for assessment years prior to assessment year 2004 in counties with less than 3,000,000 inhabitants, and a maximum reduction of \$5,000 for assessment year 2004 through 2007 in all counties. The maximum reduction is \$5,500 for assessment year 2008, and for assessment years 2009 through 2011, the maximum reduction is \$6,000 in all counties. For assessment years 2012 and thereafter, the maximum reduction is \$6,000 in counties with less than 3,000,000 inhabitants.

The Homestead Improvement Exemption applies to Residential Properties that have been improved or rebuilt in the 2 years following a catastrophic event. The exemption is limited to \$45,000 through December 31, 2003, and \$75,000 per year beginning January 1, 2004 and thereafter, to the extent the assessed value is attributable solely to such improvements or rebuilding.

Additional exemptions exist for senior citizens. The Senior Citizens Homestead Exemption operates annually to reduce the EAV on a senior citizen's home for assessment years prior to 2004 by \$2,000 in counties with less than 3,000,000 inhabitants. For assessment years 2004 and 2005, the maximum reduction is \$3,000 in all counties. For assessment years 2006 and 2007, the maximum reduction is \$3,500 in all counties. For assessment years 2008 through 2011, the maximum reduction is \$4,000 for all counties. For assessment year 2012, the maximum reduction is \$4,000 in counties with less than 3,000,000 inhabitants. For assessment years 2013 and thereafter, the maximum reduction is \$5,000 in all counties. Furthermore, beginning with assessment year 2003, for taxes payable in 2004, property that is first occupied as a residence after January 1 of any assessment year by a person who is eligible for the Senior Citizens Homestead Exemption must be granted a pro rata exemption for the assessment year based on the number of days during the assessment year that the property is occupied as a residence by a person eligible for the exemption.

A Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners, who are 65 and older and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$35,000 for years prior to 1999, \$40,000 for assessment years 1999 through 2003, \$45,000 for assessment years 2004 and 2005, \$50,000 from assessment years 2006 and 2007 and for assessments year 2008 and after, the maximum income limitation is \$55,000. In general, the Senior Citizens Assessment Freeze Homestead Exemption limits the annual real property tax bill of such property by granting to qualifying senior citizens an exemption as to a portion of the valuation of their property. In counties with a population of 3,000,000 or more, the exemption for all assessment years is equal to the EAV of the residence in the assessment year for which application is made less the base amount. Furthermore, for those counties with a population of less than 3,000,000, the Senior Citizens Assessment Freeze Homestead Exemption is as follows: through assessment year 2005 and for assessment year 2007 and later, the exempt amount is the difference between (i) the current EAV of their residence and (ii) the base amount, which is the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the Exemption (plus the EAV of improvements since such year). For assessment year 2006, the amount of the Senior Citizens Assessment Freeze Homestead Exemption phases out as the amount of household income increases. The amount of the Senior Citizens Assessment Freeze Homestead Exemption is calculated by using the same formula as above, and then multiplying the resulting value by a ratio that varies according to household income.

Another exemption available to disabled veterans operates annually to exempt up to \$70,000 of the assessed valuation of property owned and used exclusively by such veterans or their spouses for residential purposes. Also, certain property is exempt from taxation on the basis of ownership and/or use, such as public parks, not-for-profit schools and public schools, churches, and not-for-profit hospitals and public hospitals. However, individuals claiming exemption under the Disabled Persons' Homestead Exemption or the Disabled Veterans Standard Homestead Exemption cannot claim the aforementioned exemption.

Furthermore, beginning with assessment year 2007, the Disabled Persons' Homestead Exemption provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain persons with a disability. However, individuals claiming exemption as a disabled veteran or claiming exemption under the Disabled Veterans Standard Homestead Exemption cannot claim the aforementioned exemption.

In addition, the Disabled Veterans Standard Homestead Exemption provides disabled veterans an annual homestead exemption starting with assessment year 2007 and thereafter. Specifically, (i) those veterans with a service-connected disability of 75% are granted an exemption of \$5,000 and (ii) those veterans with a service-connected disability of less than 75%, but at least 50% are granted an exemption of \$2,500. Furthermore, the veteran's surviving spouse is entitled to the benefit of the exemption, provided that the spouse has legal or beneficial title of the homestead, resides permanently on the homestead and does not remarry. Moreover, if the property is sold by the surviving spouse, then an exemption amount not to exceed the amount specified by the current property tax roll may be transferred to the spouse's new residence, provided that it is the spouse's primary residence and the spouse does not remarry. However, individuals claiming exemption as a disabled veteran or claiming exemption under the Disabled Persons' Homestead Exemption cannot claim the aforementioned exemption.

Beginning with assessment year 2007, the Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a homestead exemption of \$5,000, which is applicable in all counties. In order to apply for the Returning Veterans' Homestead Exemption, the individual must pay real estate taxes on the property, own the property or have either a legal or an equitable interest in the property, "or a leasehold interest of land on which a single family residence is located, which is occupied as a principle residence of a veteran returning from an armed conflict involving the armed forces of the United States who has an ownership interest therein, legal, equitable or as a lessee, and on which the veteran is liable for the payment of property taxes." Those individuals eligible for the Returning Veterans' Homestead Exemption may claim the Returning Veterans' Homestead Exemption, in addition to other homestead exemptions, unless otherwise noted.

Truth in Taxation Law

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels.

FINANCIAL INFORMATION

General

The accounting policies of the Village conform to generally accepted accounting principles as applicable to governments. The Village accounts for its financial resources on the basis of funds or account groups, each of which is considered a separate accounting entity. The General Fund is the general operation fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Enterprise Funds are established to account for the financing of self-supporting activities of the Village which render services of a commercial nature on a user-charge basis to the general public. An enterprise fund is used to account for water and sewer service of the Village.

Trust and Agency Funds are established for the purpose of accounting for money and property held by the Village as trustee, custodian or agent.

Cash Management

The Village is authorized by State statute to invest in the following: obligations of the U.S. Treasury, U.S. Government Agencies and instrumentalities and Certificates of Deposit and deposit accounts of banks and savings and loan associations covered by federal depository insurance, and money market accounts.

The Village President and Board of Trustees designate depositories on an annual basis. The Village invests operating funds in certificates of deposits and money market accounts. Each individual fund is responsible for its own businesses.

Budgetary Procedures

The President and Board of Trustees adopt an annual budget ordinance for the fiscal year. The ordinance includes proposed expenditures and the means of financing them for the upcoming year. In addition, more detailed line item budgets are prepared for administrative control. The level of control for the detail budgets is at the department head/function level. The budget is prepared on a cash basis.

Quarterly reports are issued to the President and Board of Trustees to monitor revenues and expenditures. The Village Manager and department heads receive quarterly reports. The Elected Officials, Village Manager and Department heads all have the ability to generate financial reports any time they wish. Department heads may transfer funds between line items within their budgets with the approval of the Village Manager and Treasurer. The President and Board of Trustees may authorize supplemental appropriations or restrict departmental expenditures during the fiscal year. Budgets lapse at the end of the fiscal year.

Operating Results and Fund Balances

The Village follows a modified accrual basis of accounting for all governmental funds and expendable trust funds. All proprietary, non-expendable trust and pension trust funds are accounted for using the accrual basis for accounting. See APPENDIX A herein.

Financial Reports

The Village's financial statements are audited annually by certified public accountants. The Village's financial statements for governmental funds are completed on a modified accrual basis of accounting consistent with generally accepted accounting principles applicable to governmental entities. See **APPENDIX A** for more detail.

No Consent or Updated Information Requested of the Auditor

The tables and excerpts (collectively, the "Excerpted Financial Information") contained in this "**FINANCIAL INFORMATION**" section and in **APPENDIX A** are from the audited financial statements of the Village, including the audited financial statements for the fiscal year ended April 30, 2013 (the "2013 Audit"), which was approved by formal action of the Village Board. The Village has not requested the Auditor to update information contained in the Excerpted Financial Information; nor has the Village requested that the Auditor consent to the use of the Excerpted Financial Information in this Final Official Statement. Other than as expressly set forth in this Final Official Statement, the financial information contained in the Excerpted Financial Information has not been updated since the date of the 2013 Audit. The inclusion of the Excerpted Financial Information in this Final Official Statement in and of itself is not intended to demonstrate the fiscal condition of the Village since the date of the 2013 Audit. Questions or inquiries relating to financial information of the Village since the date of the 2013 Audit should be directed to the Village.

Investment Policy

The Village deposits and invests all its monies in investments allowed by State Statutes. The Statutes authorize the Village to make deposits in commercial banks, savings and loan institutions, and make investments in obligations of the U.S. Treasury and U.S. agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Public Treasurers' Investment Pool. Pension funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans, mutual funds, stocks and life insurance company contracts.

The overall direction of the Village's investment program may be found in the following objectives:

Safety of principal is the foremost objective of the Village. Each investment transaction shall seek first to insure that capital losses are avoided, whether they be from securities default or the erosion of market values.

Liquidity is considered most important to enable the Village to meet all operating requirements.

Maximum rate of return. The Village's investment portfolio shall be designed with the purpose of regularly exceeding the average rate of return on the six month United States Treasury bills. The investment program shall seek to augment returns above this threshold consistent with constraints imposed by its safety objective, cash flow considerations and State statutes.

Diversification. In order to further guarantee asset safety, investments shall be diversified to avoid incurring unreasonable risks from the practice of concentrating investments in specific security types and/or individual financial institutions.

Public confidence. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. Investment shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs.

Responsibility. In accordance with 65 ILCS 5/3.1-35-50 the responsibility for conducting investment transactions resides with the Village Treasurer. The Treasurer shall direct the investment transactions program operations consistent with this policy and will identify those staff positions having investment responsibility. No person may engage in an investment transaction except as provided under the terms of this policy and procedures developed by the Treasurer. The Treasurer shall be responsible for all transactions undertaken, and shall establish a system of controls to regulate the activities of subordinate staff members.

The standard of prudence to be used by the Village officials and employees responsible for the investment of public funds shall be the "prudent person" standard. Investments shall be made with judgment and care under circumstances then prevailing, which persons knowledgeable on investment practices, and persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the possible income to be derived.

Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. See APPENDIX A for excerpts of the Village's 2013 fiscal year audit.

Statement of Activities Governmental Activities

Net (Expense) Revenue and Changes in Net Assets/Net Position(1)

| | Audited Years Ended April 30 | | | | |
|--|------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 |
| Functions/Programs(2): | | | | | |
| General Government | \$ (9,123,126) | \$ (8,845,324) | \$ (11,350,257) | \$ (10,864,174) | \$ (15,311,871) |
| Public Safety | (15,421,836) | (15,837,393) | (13,500,026) | (14,393,672) | (14,456,039) |
| Public Works | (8,071,426) | (7,338,283) | (208,064) | (4,639,060) | (4,090,256) |
| Culture and Recreation | (3,114,427) | (3,449,598) | (2,575,976) | (2,677,603) | (3,127,006) |
| Interest and Fees | (2,991,639) | (4,320,124) | (4,264,055) | (4,342,536) | (4,289,449) |
| Total Governmental Activities | \$ (38,722,454) | \$ (39,790,722) | \$ (31,898,378) | \$ (36,917,045) | \$ (41,274,621) |
| General Revenues: | | | | | |
| Taxes: | | | | | |
| Property | \$ 13,707,382 | \$ 14,820,536 | \$ 15,032,052 | \$ 15,279,544 | \$ 15,722,079 |
| Other | 18,756,531 | 17,768,826 | 20,710,929 | 21,731,694 | 21,567,039 |
| Interest | 871,853 | 367,726 | 246,285 | 45,020 | 40,976 |
| Miscellaneous | 227,086 | 191,106 | 78,056 | 550,066 | 80,452 |
| Transfers | 2,480,000 | 2,600,000 | 0 | 0 | 0 |
| Total General Revenues and Transfers | \$ 36,042,852 | \$ 35,748,194 | \$ 36,067,322 | \$ 37,606,324 | \$ 37,410,546 |
| Change in Net Assets/Net Position(1) | \$ (2,679,602) | \$ (4,042,528) | \$ 4,168,944 | \$ 689,279 | \$ (3,864,075) |
| Net Assets/Net Position – Beginning(1) | 271,152,937 | 268,473,335 | 264,909,158(3) | 269,126,524(3) | 267,845,803(3) |
| Net Assets/Net Position – Ending(1) | \$268,473,335 | \$264,430,807 | \$269,078,102 | \$269,815,803 | \$263,981,728 |

Notes: (1) Format changed from Net Assets to Net Position in 2013.
(2) Expenses less program revenues of Charges of Services and Operating Grants and Contributions.
(3) Restated.

**Statement of Net Assets/Net Position(1)
Governmental Activities**

| | As of April 30 | | | | |
|---|----------------|---------------|---------------|---------------|---------------|
| | 2009 | 2010 | 2011 | 2012 | 2013(2) |
| ASSETS: | | | | | |
| Current Assets: | | | | | |
| Cash And Cash Equivalents | \$ 62,179,869 | \$ 25,669,318 | \$ 22,549,609 | \$ 24,243,292 | \$ 24,241,771 |
| Investments | 0 | 10,293,539 | 5,589,013 | 2,888,985 | 1,013,690 |
| Receivables: | | | | | |
| Property Taxes | 11,403,018 | 11,305,930 | 12,852,962 | 12,852,637 | 12,852,245 |
| Accounts | 979,243 | 881,176 | 966,487 | 1,579,963 | 919,181 |
| Interest | 0 | 0 | 0 | 1,174 | 0 |
| Other | 939,669 | 865,045 | 1,126,701 | 998,178 | 844,616 |
| Internal Balances | (3,719,829) | (3,719,829) | (3,019,829) | 0 | 0 |
| Due from Fiduciary Funds | 0 | 0 | 0 | 115,868 | 130,081 |
| Due from Other Governmental Units | 2,545,965 | 3,409,225 | 4,396,665 | 3,649,624 | 2,939,685 |
| Total Current Assets | \$ 74,327,935 | \$ 48,704,404 | \$ 44,461,608 | \$ 46,329,721 | \$ 42,941,269 |
| Noncurrent Assets: | | | | | |
| Net OPEB Asset | 0 | 18,715 | 79,715 | 140,935 | 156,451 |
| Unamortized Bond Costs and Discounts | 2,144,689 | 2,129,179 | 2,080,291 | 1,970,000 | 0 |
| Capital Assets, Not Being Depreciated | 187,892,653 | 220,269,696 | 189,128,724 | 191,045,583 | 185,209,979 |
| Capital Assets, Net of Accumulated Depreciation | 112,298,749 | 107,966,048 | 147,120,528 | 145,360,335 | 152,651,650 |
| Total Assets | \$376,664,026 | \$379,088,042 | \$382,870,866 | \$384,846,574 | \$380,959,349 |
| DEFERRED OUTFLOWS OF RESOURCES (2): | | | | | |
| Unamortized Loss on Refunding | | | | | \$ 95,661 |
| Total Deferred Outflows of Resources | | | | | \$ 95,661 |
| LIABILITIES: | | | | | |
| Current Liabilities: | | | | | |
| General Obligation Bonds | \$ 1,549,103 | \$ 2,094,318 | \$ 0 | \$ 0 | \$ 0 |
| Alternative Revenue Bonds | 135,000 | 170,000 | 0 | 0 | 0 |
| Capital Leases | 198,177 | 219,732 | 0 | 0 | 0 |
| Accounts Payable | 3,174,670 | 3,337,805 | 1,900,589 | 2,247,260 | 3,326,527 |
| Accrued Liabilities | 1,529,282 | 979,958 | 1,046,660 | 1,656,287 | 2,560,120 |
| Accrued Interest | 852,159 | 704,752 | 642,421 | 614,339 | 569,104 |
| Deposits | 2,305,802 | 2,228,826 | 1,698,751 | 2,157,780 | 1,700,991 |
| Compensated Absences | 81,782 | 95,110 | 0 | 0 | 0 |
| Deferred Revenue | 11,439,242 | 11,351,562 | 12,998,580 | 12,871,136 | 18,305 |
| Total Current Liabilities | \$ 21,265,217 | \$ 21,182,063 | \$ 18,287,001 | \$ 19,546,802 | \$ 8,175,047 |
| Noncurrent Liabilities (2): | | | | | |
| General Obligation Bonds | \$ 79,332,354 | \$ 86,026,895 | \$ 0 | \$ 0 | \$ 0 |
| Alternative Revenue Bonds | 1,955,000 | 1,785,000 | 0 | 0 | 0 |
| Unamortized Bond Premium | 469,059 | 438,735 | 0 | 0 | 0 |
| Capital Leases | 663,212 | 628,480 | 0 | 0 | 0 |
| Pension Obligation | 1,591,369 | 1,762,003 | 0 | 0 | 0 |
| OPEB Obligation | 50,246 | 0 | 0 | 0 | 0 |
| Compensated Absences | 2,864,234 | 2,834,059 | 0 | 0 | 0 |
| Due Within One Year | 0 | 0 | 3,585,540 | 3,984,512 | 4,313,986 |
| Due In More Than One Year | 0 | 0 | 91,920,214 | 91,499,457 | 91,732,004 |
| Total Noncurrent Liabilities | \$ 86,925,474 | \$ 93,475,172 | \$ 95,505,754 | \$ 95,483,969 | \$ 96,045,990 |
| Total Liabilities | \$108,190,691 | \$114,657,235 | \$113,792,755 | \$115,030,771 | \$104,221,037 |
| DEFERRED INFLOW OF RESOURCES (2): | | | | | |
| Unavailable Revenue | | | | | \$ 12,852,245 |
| Total Deferred Inflows of Resources | | | | | \$ 12,852,245 |
| Total Liabilities and Deferred Inflows Of Resources | | | | | \$117,073,282 |
| NET ASSETS/NET POSITION (1): | | | | | |
| Invested In Capital Assets, Net of Related Debt | \$249,592,572 | \$254,221,831 | \$250,373,273 | \$251,491,187 | \$256,950,797 |
| Restricted for Other Purposes | 993,014 | 164,830 | 12,901,961 | 7,228,622 | 2,513,686 |
| Unrestricted (Deficit) | 17,887,749 | 10,044,146 | 5,802,877 | 11,095,994 | 4,517,245 |
| Total Net Assets/Net Position (1) | \$268,473,335 | \$264,430,807 | \$269,078,111 | \$269,815,803 | \$263,981,728 |
| Total Liabilities and Net Assets | \$376,664,026 | \$379,088,042 | \$382,870,866 | \$384,846,574 | |

Notes: (1) Format changed from Net Assets to Net Position in 2013.
(2) Change in reporting format.

General Fund Balance Sheet

| | Audited as of April 30 | | | | |
|--|------------------------|---------------------|---------------------|---------------------|---------------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 |
| ASSETS: | | | | | |
| Cash And Cash Equivalents | \$14,385,760 | \$12,736,719 | \$15,342,462 | \$14,961,976 | \$18,140,569 |
| Receivables: | | | | | |
| Property Taxes | 8,899,962 | 8,631,928 | 10,233,205 | 10,016,754 | 10,050,248 |
| Accounts | 351,928 | 466,115 | 558,488 | 1,119,690 | 800,227 |
| Other | 850,365 | 771,944 | 1,037,027 | 909,152 | 743,275 |
| Due from Other Governmental Units | 2,472,660 | 1,171,310 | 3,506,068 | 3,567,532 | 2,856,657 |
| Due from Other Funds | 1,171,310 | 3,329,597 | 196,324 | 346,627 | 0 |
| Advanced to Other Funds | 817,514 | 472,853 | 0 | 0 | 0 |
| Total Assets | <u>\$28,949,499</u> | <u>\$27,580,466</u> | <u>\$30,873,574</u> | <u>\$30,921,731</u> | <u>\$32,590,976</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (1) | | | | | |
| LIABILITIES: | | | | | |
| Accounts Payable | \$ 1,241,305 | \$ 1,171,167 | \$ 1,261,651 | \$ 1,725,062 | \$ 1,404,139 |
| Accrued Expenses | 1,336,875 | 855,157 | 930,228 | 1,596,619 | 2,507,159 |
| Due to Other Funds | 4,564,062 | 4,302,762 | 3,019,829 | 0 | 354,366 |
| Deposits | 1,853,141 | 1,910,365 | 1,378,438 | 1,832,792 | 1,349,205 |
| Advances from Other Funds | 0 | 0 | 1,021,633 | 760,333 | 499,033 |
| Deferred Revenue | 8,936,186 | 9,964,751 | 10,348,140 | 10,035,253 | 18,305 |
| Total Liabilities | <u>\$17,931,569</u> | <u>\$18,204,202</u> | <u>\$17,959,919</u> | <u>\$15,950,059</u> | <u>\$ 6,132,207</u> |
| DEFERRED INFLOWS OF RESOURCES (1) | | | | | |
| Unavailable Revenue | | | | | <u>\$10,051,794</u> |
| Total Deferred Inflow of Resources | | | | | <u>\$10,051,794</u> |
| Total Liabilities and Deferred Inflows of Resources | | | | | <u>\$16,184,001</u> |
| Fund Balances: | | | | | |
| Reserved for: | | | | | |
| Advances | \$ 817,514 | \$ 472,853 | \$ 0 | \$ 0 | \$ 0 |
| Unreserved (Deficits) | <u>10,200,416</u> | <u>8,903,411</u> | <u>12,913,655</u> | <u>14,971,672</u> | <u>16,406,975</u> |
| Total Fund Balances | <u>\$11,017,930</u> | <u>\$ 9,376,264</u> | <u>\$12,913,655</u> | <u>\$14,971,672</u> | <u>\$16,406,975</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (1) | <u>\$28,949,499</u> | <u>\$27,580,466</u> | <u>\$30,873,574</u> | <u>\$30,921,731</u> | <u>\$32,590,976</u> |

Note: (1) Change in reporting format.

General Fund Revenues and Expenditures

| | Audited Years Ending April 30 | | | | |
|--|-------------------------------|-------------------|----------------|----------------|----------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 |
| REVENUES: | | | | | |
| Property Taxes | \$ 8,791,463 | \$ 9,492,513 | \$ 9,206,609 | \$ 9,582,714 | \$ 9,182,573 |
| Other Taxes | 14,249,678 | 13,774,085 | 16,739,422 | 17,284,346 | 16,876,666 |
| Interest Income | 217,170 | 41,675 | 66,637 | 23,929 | 27,102 |
| Fines, Licenses, Permits, and Fees | 2,213,621 | 1,549,404 | 1,744,180 | 1,614,519 | 2,163,567 |
| Charges for Services | 3,822,247 | 3,895,490 | 4,519,639 | 4,524,330 | 5,106,752 |
| Intergovernmental | 4,844,985 | 2,917,349 | 4,725,073 | 5,003,856 | 5,186,592 |
| Other | 689,823 | 839,077 | 725,154 | 1,307,798 | 2,388,587 |
| Total Revenues | \$34,828,987 | \$32,509,593 | \$37,726,714 | \$39,341,492 | \$40,931,839 |
| EXPENDITURES: | | | | | |
| General Government | \$ 8,756,871 | \$ 8,553,814 | \$ 9,259,331 | \$ 9,695,035 | \$ 9,779,785 |
| Public Safety | 15,233,202 | 15,574,310 | 16,104,041 | 16,459,782 | 16,884,123 |
| Public Works | 6,952,140 | 7,240,756 | 7,412,143 | 7,901,566 | 8,119,009 |
| Allocations to Water and Sewer Fund | 0 | 0 | (2,710,000)(5) | (2,790,000)(5) | (2,845,000)(5) |
| Principal and Interest | 232,235 | 232,234 | 257,837 | 226,306 | 168,010 |
| Capital Outlay | 3,972,546 | 2,130,211 | 1,432,124 | 1,653,062 | 3,619,147 |
| Total Expenditures | \$35,146,994 | \$33,731,325 | \$31,755,476 | \$33,145,751 | \$35,725,074 |
| Excess of Revenues Over (Under) Expenditures | \$ (318,007)(3) | \$ (1,221,732)(4) | \$ 5,971,238 | \$ 6,195,741 | \$ 5,206,765 |
| Other Financing Sources (Uses): | | | | | |
| Capital Lease Proceeds | \$171,848 | \$185,000 | \$ 0 | \$ 0 | \$ 818,206 |
| Operating Transfers In (1) | 2,509,000 | 2,630,000 | 30,000 | 30,000 | 30,000 |
| Operating Transfers (Out) (2) | (2,393,500) | (3,234,934) | (3,992,950) | (4,172,550) | (4,634,150) |
| Sale of Capital Assets | 0 | 0 | 37,691 | 4,826 | 14,482 |
| Excess of Revenues and Other Sources Over (Under) Expenditures | \$ (30,659) | \$ (1,641,666) | \$ 2,045,979 | \$ 2,058,017 | \$ 1,435,303 |
| Beginning Fund Balance | 11,048,589 | 11,017,930 | 10,867,676(6) | 12,913,655 | 14,971,672 |
| Ending Fund Balance | \$11,017,930 | \$ 9,376,264 | \$12,913,655 | \$14,971,672 | \$16,406,975 |

- Notes: (1) Transfers from Water and Sewer fund and Motor Fuel Tax Fund.
(2) Transfer to Debt Service Fund and Recreation Fund.
(3) Deficiency due to economic downturn.
(4) Deficiency due to State Income Tax payment timing.
(5) Water and Sewer Fund related expensed previously shown as a transfer in.
(6) Restated.

General Fund Budget Financial Information

| | Budget Twelve Months Ending 4/30/2014 | Estimated Year Ending 4/30/2014 | Budget Twelve Months Ending 4/30/2015 |
|----------------------------|--|---------------------------------------|--|
| REVENUES: | | | |
| Property Taxes | \$ 9,182,300 | \$ 9,130,030 | \$ 9,302,200 |
| Other Taxes | 22,126,200 | 22,320,822 | 22,965,000 |
| Grants | 243,500 | 215,903 | 399,500 |
| Licenses and Permits | 1,292,500 | 2,246,099 | 1,926,200 |
| Fines | 729,000 | 530,714 | 513,500 |
| Fees for Services | 5,010,800 | 5,366,353 | 5,467,600 |
| Miscellaneous | 3,405,600 | 2,685,456 | 3,119,200 |
| Transfers | 3,030,000 | 3,030,000 | 3,090,000 |
| Fund Balances | 1,000,000 | 0 | 0 |
| Total Revenues | \$46,019,900 | \$45,525,377 | \$46,783,200 |
| EXPENDITURES: | | | |
| General Government | \$10,837,900 | \$10,187,258 | \$10,111,550 |
| Public Safety | 19,188,350 | 18,323,274 | 19,836,900 |
| Public Works | 9,350,800 | 8,724,186 | 9,574,450 |
| Transfers/Reserves | 6,642,850 | 6,701,395 | 7,260,300 |
| Total Expenditures | \$46,019,900 | \$43,936,113 | \$46,783,200 |

EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employment retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by the Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contributions for the calendar year ended December 31, 2012 was 11.67% of covered payroll.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2012, the Village's contribution was 25.78% of covered payroll.

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Firefighters' Pension Plan. For the year ended April 30, 2012, the Village's contribution was 19.70% of covered payroll.

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's governmental and business-type activities. The retirees pay a blended premium. The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future.

See **APPENDIX A** herein for a discussion of the Village's employee retirement and other postemployment benefits obligations.

REGISTRATION, TRANSFER AND EXCHANGE

See also **APPENDIX B** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The Village shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds to be kept at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. The Village will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the Village for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the bond ordinance (the "Bond Ordinance") passed by the President and Board of Trustees of the Village to authorize the issuance of the Bonds. Upon surrender for transfer or exchange of any Bond at the principal office maintained for the purpose by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner's attorney duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Bond Registrar shall not be required to transfer or exchange any Bond following the close of business on the fifteenth day of the month in which an interest payment date occurs on such Bond (known as the record date), nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the Village or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a bond surrendered for redemption.

TAX EXEMPTION

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Village has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the Village's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but interest on the Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the Village with respect to certain material facts within the Village's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

The Internal Revenue Code of 1986, as amended (the "Code"), includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include certain tax-exempt interest, including interest on the Bonds.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "Issue Price") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public. The Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the cover page hereof.

If the Issue Price of a maturity of the Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the Bonds (the "OID Bonds") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the Village complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Illinois Department of Revenue under Illinois income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the Issue Price or purchase Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity or, in the case of an OID Bond, its Issue Price plus accreted original issue discount (the "Revised Issue Price"), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory *de minimis* rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the Village as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Interest on the Bonds is not exempt from present State of Illinois income taxes. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

QUALIFIED TAX-EXEMPT OBLIGATIONS

Subject to the Village's compliance with certain covenants, in the opinion of Bond Counsel, the Bonds are "qualified tax-exempt obligations" under the small issuer exception provided under Section 265(b)(3) of the Code, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code.

CONTINUING DISCLOSURE

The Village will enter into a Continuing Disclosure Undertaking (the "Undertaking") for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the "MSRB") pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934. No person, other than the Village, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth below under **"THE UNDERTAKING."**

The Village failed to file its audited financial statements for the 2009, 2010, 2011, and 2012 fiscal years within the time periods specified in prior continuing disclosure undertakings ("CDUs"). The Village also failed to file bond insurance rating changes and rating changes due to recalibration by rating agencies within the time periods specified in prior CDUs. As of the date of this Final Official Statement, such disclosures are on file with the MSRB. A failure by the Village to comply with the Undertaking will not constitute a default under the Bond Ordinance and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. See **"THE UNDERTAKING - Consequences of Failure of the Village to Provide Information."** The Village must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Bond Counsel expresses no opinion as to whether the Undertaking complies with the requirements of Section (b)(5) of the Rule.

THE UNDERTAKING

The following is a brief summary of certain provisions of the Undertaking of the Village and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the Village.

Annual Financial Information Disclosure

The Village covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements, if any (as described below) to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information within 210 days after the last day of the Village's fiscal year (currently April 30). If Audited Financial Statements are not available when the Annual Financial Information is filed, the Village will file unaudited financial statements. The Village will submit Audited Financial Statements to the MSRB's Electronic Municipal Market Access ("EMMA") system within 30 days after availability to the Village. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

“Annual Financial Information” means:

1. The table under the heading of “Retailers’ Occupation, Service Occupation and Use Tax” within this Final Official Statement;
2. All of the tables under the heading “PROPERTY ASSESSMENT AND TAX INFORMATION” within this Final Official Statement;
3. All of the tables under the heading “DEBT INFORMATION” within this Final Official Statement; and
4. All of the tables under the heading “FINANCIAL INFORMATION” (Excluding Budget and Interim Financial Information) within this Final Official Statement.

“Audited Financial Statements” means financial statements of the Village as audited annually by independent certified public accountants. Audited Financial Statements are expected to continue to be prepared according to Generally Accepted Accounting Principles as applicable to governmental units (i.e., as subject to the pronouncements of the Governmental Accounting Standards Board and subject to any express requirements of State law).

Reportable Events Disclosure

The Village covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. The “Events” are:

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the Village*
13. The consummation of a merger, consolidation, or acquisition involving the Village or the sale of all or substantially all of the assets of the Village, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

**This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Village in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Village, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Village.*

Consequences of Failure of the Village to Provide Information

The Village shall give notice in a timely manner to the MSRB of any failure to provide disclosure of Annual Financial Information and Audited Financial Statements when the same are due under the Undertaking.

In the event of a failure of the Village to comply with any provision of the Undertaking, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the Village to comply with its obligations under the Undertaking. A default under the Undertaking shall not be deemed a default under the Bond Ordinance, and the sole remedy under the Undertaking in the event of any failure of the Village to comply with the Undertaking shall be an action to compel performance.

Amendment; Waiver

Notwithstanding any other provision of the Undertaking, the Village by resolution or ordinance authorizing such amendment or waiver, may amend the Undertaking, and any provision of the Undertaking may be waived, if:

(a) (i) The amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including, without limitation, pursuant to a "no-action" letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the Village, or type of business conducted; or

(ii) The Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by parties unaffiliated with the Village (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority approves or requires Annual Financial Information or notices of a Reportable Event to be filed with a central post office, governmental agency or similar entity other than the MSRB or in lieu of the MSRB, the Village shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending the Undertaking.

Termination of Undertaking

The Undertaking shall be terminated if the Village shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Bond Ordinance. The Village shall give notice to the MSRB in a timely manner if this paragraph is applicable.

Additional Information

Nothing in the Undertaking shall be deemed to prevent the Village from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Annual Financial Information or Audited Financial Statements or notice of occurrence of a Reportable Event, in addition to that which is required by the Undertaking. If the Village chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by the Undertaking, the Village shall have no obligation under the Undertaking to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

Dissemination of Information; Dissemination Agent

When filings are required to be made with the MSRB in accordance with the Undertaking, such filings are required to be made through its EMMA system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

The Village may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

OPTIONAL REDEMPTION

The Bonds are **not** subject to optional redemption prior to maturity.

LITIGATION

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the Village taken with respect to the issuance or sale thereof. There is no litigation now pending, or to the knowledge of the Village, threatened against the Village that is expected to materially impact the financial condition of the Village.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois, as Bond Counsel (the "Bond Counsel"), who has been retained by, and acts as, Bond Counsel to the Village. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Final Official Statement or other offering material relating to the Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this Final Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP has, at the request of the Village, reviewed only those portions of this Final Official Statement involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), the description of the federal tax treatment of interest on the Bonds, and the "bank-qualified" status of the Bonds. This review was undertaken solely at the request and for the benefit of the Village and did not include any obligation to establish or confirm factual matters set forth herein.

FINAL OFFICIAL STATEMENT AUTHORIZATION

This Final Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the Village, and all expressions of opinion, whether or not so stated, are intended only as such.

INVESTMENT RATINGS

The Bonds have been rated "Aa3 (Stable)" by Moody's Investor's Service and "AA- (Stable)" by Fitch Ratings. The Village has supplied certain information and material concerning the Bonds and the Village to the rating services shown on the cover page, including certain information and materials which may not have been included in this Final Official Statement, as part of its application for investment ratings on the Bonds. Ratings reflect only the views of the rating agencies assigning such ratings and an explanation of the significance of such ratings may be obtained from such rating agencies. Generally, such rating services base their ratings on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such ratings will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating services if, in their judgment, circumstances so warrant. Any such downward change in or withdrawal of such ratings may have an adverse effect on the secondary market price of the Bonds. An explanation of the significance of the investment ratings may be obtained from the rating agencies: Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone 212-553-1658. Fitch Ratings, One State Street Plaza, New York, New York 10004, telephone 800-753-4824. The Village will provide appropriate periodic credit information to the rating service to maintain a rating on the Bonds.

DEFEASANCE

The Bonds are subject to legal defeasance by the irrevocable deposit of full faith and credit obligations of the United States of America, obligations the timely payment of which are guaranteed by the United States Treasury, or certificates of participation in a trust comprised solely of full faith and credit obligations of the United States of America (collectively, the "Government Obligations") with a bank or trust company acting as escrow agent. Any such deposit must be of sufficient amount that the receipts from the Government Obligations plus any cash on deposit will be sufficient to pay debt service on the Bonds when due or as called for redemption.

UNDERWRITING

The Bonds were offered for sale by the Village at a public, competitive sale on October 16, 2014. The best bid submitted at the sale was submitted by KeyBanc Capital Markets, Cleveland, Ohio (the "Underwriter"). The Village awarded the contract for sale of the Bonds to the Underwriter at a price of \$9,858,531.25. The Underwriter has represented to the Village that the Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the Final Official Statement.

FINANCIAL ADVISOR

The Village has engaged Speer Financial, Inc. as financial advisor (the "Financial Advisor") in connection with the issuance and sale of the Bonds. The Financial Advisor is an Independent Registered Municipal Advisor in accordance with the rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Financial Advisor will not participate in the underwriting of the Bonds. The financial information included in the Final Official Statement has been compiled by the Financial Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Financial Advisor is not a firm of certified public accountants and does not serve in that capacity or provide accounting services in connection with the Bonds. The Financial Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Final Official Statement, nor is the Financial Advisor obligated by the Village's continuing disclosure undertaking.

CERTIFICATION

We have examined this Final Official Statement dated October 16, 2014, for the \$9,195,000 General Obligation Refunding Bonds, Series 2014, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery certificates confirming to the purchaser that to the best of our knowledge and belief information in the Final Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

/s/ **KIRK OPENCHOWSKI**
Finance Director
VILLAGE OF ROMEOVILLE
Will County, Illinois

/s/ **JOHN D. NOAK**
Village President
VILLAGE OF ROMEOVILLE
Will County, Illinois

APPENDIX A

VILLAGE OF ROMEOVILLE
Will County, Illinois

EXCERPTS OF FISCAL YEAR 2013 AUDITED FINANCIAL STATEMENTS

VILLAGE OF ROMEVILLE, ILLINOIS
STATEMENT OF NET POSITION

April 30, 2013

| | Governmental Activities | Primary Government Business-Type Activities | Total |
|---|-------------------------|---|--------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 24,241,771 | \$ 2,343,762 | \$ 26,585,533 |
| Investments | 1,013,690 | 11,172,777 | 12,186,467 |
| Receivables (net, where applicable, of allowances for uncollectibles) | 12,852,243 | - | 12,852,243 |
| Property taxes | 919,181 | 1,463,473 | 2,382,654 |
| Accounts receivable | - | - | - |
| Interest | 844,616 | - | 844,616 |
| Other | 2,939,683 | - | 2,939,683 |
| Due from other governments | 130,081 | - | 130,081 |
| Due from fiduciary funds | 156,451 | - | 156,451 |
| Net OPEB asset | 185,209,979 | 1,009,738 | 186,219,717 |
| Capital assets not being depreciated | 152,651,650 | 18,934,204 | 171,585,854 |
| Capital assets being depreciated | - | - | - |
| Total assets | 380,959,249 | 134,924,044 | 515,883,293 |
| | (95,461) | - | (95,461) |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Unamortized loss on refunding | - | - | - |
| Total deferred outflows of resources | (95,461) | - | (95,461) |
| LIABILITIES | | | |
| Accounts payable | 3,326,427 | 1,021,910 | 4,348,337 |
| Accrued liabilities | 2,560,120 | 83,759 | 2,643,879 |
| Deposits payable | 1,700,991 | 139,304 | 1,840,295 |
| Unearned revenue | 18,305 | - | 18,305 |
| Accrued interest payable | 569,104 | 345,222 | 914,326 |
| Noncurrent liabilities | - | - | - |
| Due within one year | 4,313,986 | 3,317,452 | 7,631,438 |
| Due in more than one year | 91,732,004 | 30,067,204 | 121,799,208 |
| Total liabilities | 104,223,017 | 35,815,441 | 140,038,458 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable revenue | 12,852,243 | - | 12,852,243 |
| Total deferred inflows of resources | 12,852,243 | - | 12,852,243 |
| Total liabilities and deferred inflows of resources | 117,075,260 | 35,815,441 | 152,890,701 |
| NET POSITION | | | |
| Net investment in capital assets | 256,950,797 | 86,897,837 | 343,848,634 |
| Restricted for: | | | |
| Maintenance of roadways | 1,005,233 | - | 1,005,233 |
| Economic development | 1,410,406 | - | 1,410,406 |
| Capital projects | 97,547 | - | 97,547 |
| Unrestricted | 4,517,245 | 12,410,766 | 16,928,011 |
| Total net position | 263,981,228 | 99,308,603 | 363,289,831 |

VILLAGE OF ROMEVILLE, ILLINOIS
STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2013

| | Expenses | Charges for Services | Program Revenues Operating Grants | Capital Grants and Contributions |
|---|----------------------|----------------------|-----------------------------------|----------------------------------|
| FUNCTIONS/PROGRAMS | | | | |
| PRIMARY GOVERNMENT | | | | |
| Governmental Activities | | | | |
| General government | \$ 16,826,523 | \$ 1,407,156 | \$ 101,596 | \$ - |
| Public safety | 17,977,351 | 3,186,635 | 169,677 | 165,000 |
| Public works | 11,677,451 | 4,751,968 | 1,016,362 | 1,818,965 |
| Culture and recreation | 3,934,308 | 792,802 | - | 14,500 |
| Interest and fiscal charges on long-term debt | 4,289,449 | - | - | - |
| Total governmental activities | \$4,699,182 | 10,138,461 | 1,287,635 | 1,998,465 |
| Business-Type Activities | | | | |
| Water and sewer | 15,935,142 | 14,732,596 | - | 53,175 |
| Total business-type activities | 15,935,142 | 14,732,596 | - | 53,175 |
| TOTAL PRIMARY GOVERNMENT | \$ 70,634,324 | \$ 24,871,057 | \$ 1,287,635 | \$ 2,051,640 |

Net (Expense) Revenue and Change in Net Position

| FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT | Primary Government | | |
|---|-------------------------|--------------------------|---------------------|
| | Governmental Activities | Business-Type Activities | Total |
| General government | \$ (15,311,871) | \$ - | \$ (15,311,871) |
| Public safety | (14,456,039) | - | (14,456,039) |
| Public works | (4,090,256) | - | (4,090,256) |
| Culture and recreation | (3,127,006) | - | (3,127,006) |
| Interest and fiscal charges on long-term debt | (4,290,449) | - | (4,290,449) |
| Total governmental activities | (41,274,621) | - | (41,274,621) |
| Business-Type Activities | | | |
| Water and sewer | - | 81,149,371 | 81,149,371 |
| Total business-type activities | - | 81,149,371 | 81,149,371 |
| TOTAL PRIMARY GOVERNMENT | (41,274,621) | 81,149,371 | 39,874,750 |
| General Revenues | | | |
| Taxes | 15,722,079 | - | 15,722,079 |
| Property and replacement | 9,146,375 | - | 9,146,375 |
| Sales | 636,785 | - | 636,785 |
| Use | 1,298,127 | - | 1,298,127 |
| Telecommunications | 5,477,963 | - | 5,477,963 |
| Utility | 3,575,982 | - | 3,575,982 |
| Income | 247,872 | - | 247,872 |
| Rental/Mail | 1,183,935 | - | 1,183,935 |
| Other | 40,976 | 136,471 | 177,447 |
| Investment income | 80,452 | 29,060 | 109,512 |
| Miscellaneous | - | - | - |
| Total | 37,410,546 | 165,531 | 37,576,077 |
| CHANGE IN NET POSITION | (3,864,075) | (83,409) | (3,947,484) |
| NET POSITION, MAY 1 | 269,815,803 | 190,400,636 | 460,216,439 |
| Prior period adjustments | (1,970,000) | (198,193) | (2,168,193) |
| NET POSITION, MAY 1, RESTATED | 267,845,803 | 189,202,443 | 457,048,246 |
| NET POSITION, APRIL 30 | \$ 263,981,728 | \$ 99,308,603 | \$ 363,290,331 |

VILLAGE OF HOMERVILLE, ILLINOIS BALANCE SHEET GOVERNMENTAL FUNDS April 30, 2013

| | General | Recreation | Facility Construction | Maintenance | Total |
|--|---------------|--------------|-----------------------|--------------|---------------|
| | \$ 18,140,549 | \$ 462,606 | \$ 31,221 | \$ 5,607,375 | \$ 24,241,771 |
| | | | 1,013,590 | - | 1,013,690 |
| | 10,058,248 | 1,853,573 | - | 939,474 | 12,851,295 |
| | 800,237 | 8,074 | - | 110,880 | 919,191 |
| | 743,275 | 41,182 | - | 38,159 | 822,616 |
| | - | 923,834 | - | 216,254 | 1,140,088 |
| | 2,856,657 | - | - | 499,033 | 3,355,690 |
| | \$ 23,540,675 | \$ 3,108,219 | \$ 1,044,511 | \$ 2,514,201 | \$ 28,440,399 |

ASSETS

| | |
|---|--|
| Cash and cash equivalents | |
| Investments | |
| Receivables (net, where applicable, of allowances for uncollectibles) | |
| Prepaid items | |
| Inventory | |
| Accruals | |
| Other | |
| Due from other funds | |
| Advances to other funds | |
| Due from other governments | |
| TOTAL ASSETS | |

VILLAGE OF ROMEOVILLE, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2013

| FUND BALANCES OF GOVERNMENTAL FUNDS | \$ | 22,459,788 |
|--|----|--------------|
| 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 governmental funds | | 337,861,629 |
| Certain receivables are not available to pay for current period expenditures and, therefore, are unavailable in the governmental funds | | 23,293 |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds | | |
| Compensated absences payable | | (3,269,213) |
| Unamortized premium on bonds | | (443,029) |
| General obligation bonds payable | | (89,547,788) |
| Capital leases payable | | (1,102,576) |
| Net pension obligation | | (1,683,384) |
| Unamortized loss on refunding | | 95,661 |
| The net other postemployment benefit asset is shown as an asset on the statement of net position | | 156,451 |
| Accrued interest on long-term liabilities is reported as a liability on the statement of net position | | (569,104) |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | \$ | 263,981,728 |

LIABILITIES, DEFERRED INFLOWS OF RESOURCES
AND FUND BALANCES

| | General | Revenue | Facility Construction | Nonmajor | Total |
|--|-------------------|------------------|--------------------------|------------------|-------------------|
| LIABILITIES | | | | | |
| Accounts payable | \$ 1,404,139 | \$ 201,765 | \$ 9,344 | \$ 1,211,219 | \$ 3,326,527 |
| Accrued liabilities | 2,297,159 | 52,961 | - | - | 3,566,120 |
| Deposits | 1,349,205 | 326,786 | 25,000 | - | 1,706,991 |
| Due to other funds | 354,344 | - | 61,828 | 573,412 | (310,867) |
| Unassigned fund balance | 45,232 | - | - | - | 49,935 |
| Unassigned revenue | 18,505 | - | - | - | 19,205 |
| Total liabilities | 6,132,207 | 582,512 | 115,173 | 2,285,891 | 9,114,983 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable revenue | 19,661,246 | 1,894,276 | - | 496,254 | 12,875,616 |
| Total deferred inflows of resources | 19,680,907 | 1,894,276 | - | 496,254 | 12,875,616 |
| Total liabilities and deferred inflows of resources | 25,813,114 | 2,476,788 | 115,173 | 2,782,145 | 21,990,521 |
| FUND BALANCES | | | | | |
| Nonspendable | - | - | - | 499,033 | 499,033 |
| Restricted | - | - | - | 1,007,215 | 1,007,215 |
| Assigned | - | - | - | 1,410,466 | 1,410,466 |
| Unassigned | - | - | - | 97,447 | 97,447 |
| Total fund balances | - | - | - | 2,914,161 | 2,914,161 |
| Total liabilities, deferred inflows of resources, and fund balances | 25,813,114 | 2,476,788 | 115,173 | 5,196,406 | 24,521,481 |

VILLAGE OF KIMBERVILLE, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2013

| | Original | Revisions | Facility Construction | Nonmajor | Total |
|--|---------------------|-------------------|-----------------------|---------------------|----------------------|
| REVENUES | | | | | |
| Property taxes | \$ 8,182,573 | \$ 1,854,616 | \$ - | \$ 4,044,627 | \$ 15,081,826 |
| Other taxes | 16,176,666 | 491,181 | - | 831,911 | 17,970,849 |
| Fees and forfeits | 632,118 | - | - | - | 632,118 |
| Charges to other departments | 1,565,449 | - | - | - | 1,565,449 |
| Charges to residents | 5,165,732 | 792,462 | 3,238 | 71,319 | 5,959,499 |
| Intergovernmental | 5,186,591 | 12,806 | - | 1,273,612 | 6,572,709 |
| Investment income | 27,102 | 1,101 | 7,832 | 2,241 | 43,976 |
| Other | 2,938,937 | 198,051 | - | 348,254 | 3,485,242 |
| Total revenues | 40,971,836 | 3,778,441 | 10,510 | 6,675,984 | 50,845,816 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General government | 9,779,746 | - | - | 5,420,349 | 15,200,146 |
| Public safety | 14,184,123 | - | - | - | 14,184,123 |
| Public works | 8,119,669 | - | - | 710,149 | 8,829,818 |
| Culture and recreation | 3,408,063 | - | - | - | 3,408,063 |
| Allocation to water and sewer fund | (2,445,000) | - | - | - | (2,445,000) |
| Capital outlay | 2,817,147 | 491,469 | 1,279,250 | 6,517,553 | 10,807,279 |
| Debt service | 146,940 | - | - | 2,817,681 | 2,964,621 |
| Principal | 21,670 | - | - | 1,933,944 | 1,955,614 |
| Interest and fiscal charges | - | - | - | - | - |
| Total expenditures | 35,722,034 | 3,469,721 | 1,279,250 | 15,610,306 | 50,845,816 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | \$ 5,249,802 | \$ 308,720 | \$ 1,230,260 | \$ 9,065,678 | \$ 16,854,660 |

OTHER FINANCING SOURCES (USES)

Issued proceeds
Principal on bonds issued
Capital loans issued
Treasury in
Capital assets
Sale of capital assets
Payment to reserve agent

Total other financing sources (uses)

NIT CHANGE IN FUND BALANCES

FUND BALANCES, MAY 1

FUND BALANCES, APRIL 30

| Current | Revisions | Facility Construction | Nonmajor | Total |
|---------------|------------|-----------------------|--------------|---------------|
| \$ - | \$ - | \$ - | \$ 2,750,000 | \$ 2,750,000 |
| 118,206 | 1,078,338 | - | 89,846 | 1,286,390 |
| 82,000 | - | - | - | 82,000 |
| (6,614,457) | (213,863) | - | 71,1354 | (6,857,186) |
| 14,482 | - | - | (13,102,136) | (13,087,654) |
| (2,271,462) | 161,198 | - | 1,279,843 | 119,679 |
| 1,435,303 | 279,268 | (1,868,389) | 6,265,703 | (4,007,678) |
| 14,871,672 | 958,609 | 2,787,518 | 9,073,999 | 27,692,198 |
| \$ 16,685,923 | \$ 434,477 | \$ 278,718 | \$ 8,189,728 | \$ 25,478,846 |

VILLAGE OF ROMEDEVILLE, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2013

| | |
|---|----------------|
| NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS | \$ (4,937,470) |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities | 9,463,218 |
| The Village accepted and received capital contributions that are capitalized and depreciated in the statement of activities | 165,000 |
| Revenues in the statement of activities that are not available in governmental funds are not reported as revenue in governmental funds until received | 21,293 |
| Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds | (8,272,507) |
| Depreciation of capital assets | (2,460,067) |
| The accretion of interest on the Series 2008B capital appreciation bonds is reported as interest expenses and an increase in bonds payable in the statement of activities | (3,568,206) |
| The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase in principal outstanding in the statement of activities | 5,797,553 |
| The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities | 45,235 |
| The change in accrued interest payable on long-term debt is reported as an expense on the statement of activities | (10,448) |
| Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities | (44,772) |
| The change in net pension obligation is not a current financial resource and, therefore, is not reported in the governmental funds | (180,420) |
| The change in compensated absences payable is shown as an expense on the statement of activities | 15,516 |
| The change in net other postemployment benefit obligation is not a current financial resource and, therefore, is not reported in the governmental funds | \$ (3,864,075) |
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | |

VILLAGE OF ROMEDEVILLE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUND

April 30, 2013

| | Business-Type Activities |
|---|-----------------------------|
| | Water and Sewer |
| CURRENT ASSETS | |
| Cash and cash equivalents | \$ 2,343,762 |
| Investments | 11,172,777 |
| Receivables (net where applicable, of allowances for uncollectibles) | 1,463,473 |
| Total current assets | 14,980,012 |
| NONCURRENT ASSETS | |
| Capital assets not being depreciated | 1,003,738 |
| Capital assets being depreciated, net | 118,934,294 |
| Total noncurrent assets | 119,944,032 |
| Total assets | 134,924,044 |
| CURRENT LIABILITIES | |
| Accounts payable | 1,621,910 |
| Accrued liabilities | 83,759 |
| Accrued interest payable | 385,222 |
| Deposits payable | 139,304 |
| General obligation bonds payable | 1,950,544 |
| Note payable | 1,173,227 |
| Compensated absences payable | 187,681 |
| Total current liabilities | 5,547,647 |
| LONG-TERM LIABILITIES | |
| Unamortized bond premiums | 171,320 |
| General obligation bonds payable | 9,754,452 |
| Note payable | 19,990,652 |
| Compensated absences payable | 151,370 |
| Total long-term liabilities | 30,067,794 |
| Total liabilities | 35,615,441 |
| NET POSITION | |
| Net investment in capital assets | 86,897,537 |
| Unrestricted | 12,410,766 |
| TOTAL NET POSITION | \$ 99,308,003 |

VILLAGE OF ROMEOVILLE, ILLINOIS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUND

For the Year Ended April 30, 2013

| | Business-Type Activities |
|--|-----------------------------|
| | Water and Sewer |
| OPERATING REVENUES | |
| Charges for services | \$ 14,019,981 |
| Fines and fees | 673,822 |
| Reimbursements | 38,793 |
| Total operating revenues | 14,732,596 |
| OPERATING EXPENSES | |
| EXCLUDING DEPRECIATION | |
| Operations | 10,591,252 |
| OPERATING INCOME BEFORE DEPRECIATION | 4,141,344 |
| DEPRECIATION | 4,290,227 |
| OPERATING INCOME (LOSS) | (148,883) |
| NONOPERATING REVENUES (EXPENSES) | |
| Other revenue | 29,060 |
| Investment income | 136,471 |
| Interest expense | (1,053,663) |
| Total nonoperating revenues (expenses) | (888,132) |
| INCOME (LOSS) BEFORE CONTRIBUTIONS | (1,037,015) |
| CONTRIBUTIONS | 53,175 |
| CHANGE IN NET POSITION | (983,840) |
| NET POSITION, MAY 1 | 100,490,636 |
| Prior Period Adjustment | (198,193) |
| NET POSITION, MAY 1, RESTATED | 100,292,443 |
| NET POSITION, APRIL 30 | \$ 99,308,603 |

VILLAGE OF ROMEOVILLE, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Year Ended April 30, 2013

| | Business-Type Activities |
|---|-----------------------------|
| | Water and Sewer |
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Receipts from customers and users | \$ 14,786,848 |
| Payments to suppliers | (7,080,019) |
| Payments to employees | (3,755,668) |
| Net cash from operating activities | 3,951,161 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| Other revenue | 29,060 |
| Net cash from noncapital financing activities | 29,060 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Capital assets purchased | (2,954,915) |
| Principal payments - general obligation bonds | (1,858,356) |
| Principal payments - note payable | (1,150,290) |
| Interest paid | (1,125,534) |
| Net cash from capital and related financing activities | (7,089,095) |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Net purchase of investments | (115,319) |
| Interest received | 136,471 |
| Net cash from investing activities | 21,152 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (3,087,722) |
| CASH AND CASH EQUIVALENTS, MAY 1 | 5,431,484 |
| CASH AND CASH EQUIVALENTS, APRIL 30 | \$ 2,343,762 |

VILLAGE OF ROMEOVILLE, ILLINOIS
STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUND

For the Year Ended April 30, 2013

| | Business-Type Activities Water and Sewer |
|---|---|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES | |
| Operating income (loss) | \$ (148,883) |
| Adjustments to reconcile operating income to net cash from operating activities | |
| Depreciation | 4,290,227 |
| Receivables | 54,252 |
| Increase (decrease) in | |
| Accounts payable | (282,559) |
| Accrued liabilities | (16,016) |
| Deposits payable | 3,775 |
| Compensated absences payable | 50,365 |
| NET CASH FROM OPERATING ACTIVITIES | \$ 3,951,161 |
| NONCASH TRANSACTIONS | |
| Contributions of capital assets | \$ 53,175 |

VILLAGE OF ROMEOVILLE, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS

April 30, 2013

| ASSETS | \$ |
|--|---------------|
| Cash and cash equivalents | 423,393 |
| Investments | |
| U.S. Treasury and agency securities | 13,628,711 |
| Municipal bonds | 505,014 |
| Money market mutual funds | 109,077 |
| Equity mutual funds | 19,007,459 |
| Prepaid expenses | 67,101 |
| Total assets | 33,740,755 |
| LIABILITIES | |
| Accounts payable | 835 |
| Due to other funds | 130,081 |
| Total liabilities | 130,916 |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS | \$ 33,609,839 |

VILLAGE OF ROMEIOVILLE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS

For the Year Ended April 30, 2013

| | |
|--|------------------|
| ADDITIONS | |
| Contributions | \$ 1,679,988 |
| Employer | 574,669 |
| Employee | |
| Total contributions | 2,354,657 |
| Investment income | |
| Net appreciation in fair value | 1,890,955 |
| of investments | 765,835 |
| Interest | |
| Total investment income | 2,656,790 |
| Total additions | 5,011,447 |
| DEDUCTIONS | |
| Administration | 38,115 |
| Pension benefits and refunds | 1,391,982 |
| Total deductions | 1,430,097 |
| NET INCREASE | 3,581,350 |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS | |
| May 1 | 30,028,489 |
| April 30 | \$ 33,609,839 |

THIS PAGE INTENTIONALLY

LEFT BLANK

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

April 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

The Village's financial statements include two pension trust funds:

Police Pension Employees Retirement System

The Village's 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 pension beneficiary elected by the membership and two police employees elected by the membership constitute the pension board. The Village and PPERS participants are obligated to fund all 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 possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund.

Firefighters' Pension Employee Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension System (FPERS). The FPERS functions for the benefit of those 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 fire employees constitute the pension board. The Village and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. The FPERS is reported as a pension trust fund because of the Village's fiduciary responsibility.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental, proprietary, and fiduciary.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Romeoville, Illinois (the Village), is located in Will County, Illinois and was first incorporated in 1895 under the provisions of the constitution and general statutes of the State of Illinois. The Village operates under a Board administrator form of government. The Village Board consists of seven elected members that exercise all powers of the Village but are accountable to their constituents for all their actions. The Village provides the following services as authorized by its charter: public safety (police, fire, civil defense, and emergency medical), highways and streets, culture-recreation, public improvements, planning and zoning, and general administrative services.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village is a municipal corporation governed by an elected board. As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of its operational or financial relationship with the primary government.

Joint Venture

Northern Will County Joint Action Water Agency - The Village entered into an intergovernmental agreement with the Villages of Bolingbrook, Homer Glen, Woodridge and Lemont on December 13, 2011 to form the Northern Will County Joint Action Water Agency (JAWA). JAWA is a municipal corporation empowered to provide adequate supplies of water on an economic and efficient basis for member municipalities, public water districts and other incorporated and unincorporated areas within such counties. Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of JAWA beyond its representation on the Board of Directors. The Village has approximately three member water connections, which represents 0.01% of total member water connections.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Governmental funds are used to account for substantially all of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds restricted, committed or assigned for the acquisition or construction of capital assets (capital projects funds), and the funds restricted, committed or assigned for the servicing of long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statements of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these financial statements, except for interfund services. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The services which are administered by the Village and accounted for in the General Fund include general government, public works, culture and recreation, and public safety.

The Recreation Fund accounts for the resources that are legally restricted for recreation purposes.

The Facility Construction Fund accounts for the cost construction of new facilities in the Village including the new Village Hall.

The Village reports the following major proprietary fund:

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

The Village reports the following fiduciary funds:

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and the Firefighters' Pension Fund.

VILLAGE OF ROMEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (agency funds have no measurement focus). Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Nonoperating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period and income taxes which use a 120-day period. The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Sales taxes owed to the state at year end, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Income and motor fuel taxes and fines collected and held by the state or county at year end on behalf of the Village also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

VILLAGE OF ROMEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Basis of Presentation
(Continued)

The Village reports unearned/unavailable revenue on its financial statements. Unearned/unavailable revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned/unavailable revenues also arise when resources are received by the government before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability or deferred inflow of resources for unearned/unavailable revenue is removed from the financial statements and revenue is recognized.

c. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider their equity in pooled cash and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of one year or less when purchased are stated at cost or amortized cost. Investments with a maturity greater than one year and all pension fund investments are stated at fair value in accordance with GASB Statement No 31.

f. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

g. Inventories

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

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

i. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm water), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$25,000 for machinery and equipment, \$100,000 for property or building improvements and \$150,000 for infrastructure and an estimated useful life in excess of one-year. Easements are defined by the Village as assets with an initial, individual cost of more than \$100,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

| Assets | Years |
|----------------------------|-------|
| Buildings and improvements | 40 |
| Machinery and equipment | 5-20 |
| Furniture and fixtures | 5-20 |
| Vehicles | 5-10 |
| Infrastructure | 15-50 |
| Other equipment | 5-20 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences

Vested or accumulated vacation and vested sick leave is reported as an expenditure and a fund liability of the governmental (General) fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation of proprietary funds and governmental activities are recorded as an expense and liability of those funds as the benefits accrue to employees.

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds 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 financial statements. Bond premiums and discounts and gains/losses on refundings are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount and gains/losses on refundings.

In the fund financial statements, governmental funds 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 expenditures.

l. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village Board, which is considered the Village's highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Village. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village's Director of Finance consistent with the intentions of the Village Board. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Fund Balances/Net Position (Continued)

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels or unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets.

m. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s). In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so it will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period these amounts become available.

n. Interfund Transactions

Interfund services are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

o. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund'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.

a. Village Deposits and Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds

with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value), and Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The Village's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and yield.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy does not specifically address custodial credit risk.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third party custodian and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village limits its exposure by limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); limiting investment in securities that have higher credit risks; investing in securities with varying maturities; and continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPS) or money market funds to ensure that proper liquidity is maintained in order to meet ongoing obligations.

b. Police Pension Fund Deposits and Investments

The Police Pension Fund's investment policy authorizes the Police Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

It is the policy of the Police Pension Fund to invest its funds with care, skill, prudence, and diligence, using the "prudent person" standard for managing the overall portfolio.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2013:

| Investment Type | Fair Value | Investment Maturities in Years | | | |
|-------------------------------------|---------------|--------------------------------|---------------|--------------|-----------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| Certificate of deposit - negotiable | \$ 2,168,605 | \$ 1,499,815 | \$ 668,790 | \$ - | \$ - |
| U.S. Treasury notes | 1,405,292 | 352,335 | 692,489 | 360,468 | - |
| U.S. agencies - FHLB | 695,541 | - | 695,541 | - | - |
| U.S. agencies - FHLMC | 520,414 | - | 275,679 | - | 244,735 |
| U.S. agencies - FNMA | 5,758,992 | 250,835 | 2,592,162 | 1,539,348 | 1,376,627 |
| IMET | 9,816,134 | - | 9,816,134 | - | - |
| TOTAL | \$ 20,364,978 | \$ 2,102,985 | \$ 14,740,815 | \$ 1,899,816 | \$ 1,621,362 |

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in shorter-term securities, money market funds, or similar investment pools. To the extent possible, the Village shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than five years from the date of purchase in accordance with state and local statutes and ordinances.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk limiting investments to the safest types of securities; prequalifying the financial institutions, intermediaries and advisors with which the Village will conduct business; and diversifying the investment portfolio so that potential losses on individual investments will be minimized. IMET and Illinois Funds are rated AAA. U.S. agency obligations are rated AA+ to AAA.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Fund Deposits and Investments (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension Fund's investment policy does not specifically address custodial credit risk.

Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2013:

| Investment Type | Fair Value | Investment Maturities in Years | | | |
|-----------------------|----------------------|--------------------------------|-------------|-------------|----------------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. agencies - FNMA | \$ 3,078,483 | \$ - | \$ - | \$ - | \$ 3,078,483 |
| U.S. agencies - FHLMC | 306,799 | - | - | - | 306,799 |
| U.S. agencies - GNMA | 7,027,016 | - | - | - | 7,027,016 |
| TOTAL | \$ 10,412,298 | \$ - | \$ - | \$ - | \$ 10,412,298 |

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Police Pension Fund's investment policy does not specifically address interest rate risk. The Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Police Pension Fund 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 Police Pension Fund's investment policy does not specifically address credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Police Pension Fund investment policy does not specifically address custodial credit risk.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Fund Deposits and Investments (Continued)

Investments (Continued)

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of its investments invested in one type of investment. The Police Pension Fund's investment policy does not specifically address concentration of credit risk.

c. Firefighters' Pension Fund Deposits and Investments

The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, separate accounts that are managed by life insurance companies, mutual funds, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

It is the policy of the Firefighters' Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Firefighters' Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and return on investment.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Firefighters' Pension Fund's deposits may not be returned to it. The Firefighters' Pension Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Fund Deposits and Investments (Continued)

Investments

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of April 30, 2013:

| Investment Type | Fair Value | Investment Maturities in Years | | | |
|-----------------------|--------------|--------------------------------|--------------|--------------|-----------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. Treasury notes | \$ 710,229 | \$ - | \$ 311,513 | \$ 398,716 | \$ - |
| Municipal bonds | 505,014 | 40,462 | 61,312 | 403,240 | - |
| U.S. agencies - EFCB | 746,648 | - | 177,475 | 569,173 | - |
| U.S. agencies - FHLMC | 1,332,245 | 15,630 | 534,013 | 782,602 | - |
| U.S. agencies - FNMA | 399,447 | 25,984 | 151,433 | 222,030 | - |
| U.S. agencies - GNMA | 24,184 | - | - | - | - |
| | 3,660 | - | - | 3,252 | 408 |
| TOTAL | \$ 3,721,427 | \$ 106,260 | \$ 1,235,746 | \$ 2,379,013 | \$ 408 |

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market. The Firefighters' Pension Fund investment policy requires that the average maturity and duration of the portfolio be maintained at approximately five years and range from two to seven years.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Firefighters' Pension Fund 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 Firefighters' Pension Fund investment policy does not specially address credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Firefighters' Pension Fund limits its exposure to custodial risk by utilizing an independent, third party institution, to act as custodian for its securities.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Fund Deposits and Investments (Continued)

Investments (Continued)

Concentration of credit risk is the risk that the Firefighters' Pension Fund has a high percentage of its investments invested in one type of investment. The Firefighters' Pension Fund's investment policy does not restrict the amount of investments in any one issuer. The investment policy requires diversification of investment to avoid unreasonable risk as follows:

- U.S. Treasury Bills/Notes/Bonds - a range from 0% to 100%
- U.S. Government Agency Securities (non MBS) - a range from 0% to 70%
- U.S. Government Agency Securities (callable) - a range from 0% to 30%
- U.S. Government Agency Securities (MBS) - a range from 0% to 10%
- Taxable Municipal Securities - a range from 0% to 20%
- Certificate of Deposit - a range from 0% to 20%
- Investment Grade Corporate Bonds - a range from 0% to 30%

The investment policy limits the amount of equity investments to the amount of total assets invested. Equity investments shall not exceed 45% of the total market value. The Firefighters' Pension Fund's investment policy requires diversification of equity investments as follows:

- U.S. Large Company Stock - a range from 40% to 100%
- U.S. Small Company Stock - a range from 0% to 40%
- International Stocks - a range from 0% to 20%

3. RECEIVABLES

a. Property Taxes

Property taxes for 2012 attach as an enforceable lien on January 1, 2012, 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 issued on about May 1, 2013, and are payable in two installments, on or about June 1, 2013 and September 1, 2013. Tax Increment Financing (TIF) property tax receipts are received in two installments similar to levied taxes described above. TIF property taxes are not levied, but are paid by the County from incremental property tax receipts of all taxing bodies within a TIF District. The County collects such taxes and remits them periodically. As the 2012 tax levy is intended to fund expenditures for the 2013-2014 fiscal year, these taxes are deferred as of April 30, 2013.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES (Continued)

a. Property Taxes (Continued)

The 2013 tax levy, which attached as an enforceable lien on property as of January 1, 2013, has not been recorded as a receivable as of April 30, 2013 as the tax has not yet been levied by the Village and will not be levied until December 2013 and, therefore, the levy is not measurable at April 30, 2013.

b. Other Receivables

Other receivables are comprised of the following at April 30, 2013:

| Description | General | Recreation | Local Gas Tax | Total |
|--------------------------|------------|------------|---------------|------------|
| Replacement taxes | \$ 29,775 | \$ - | \$ - | \$ 29,775 |
| Water utility | 21,663 | - | - | 21,663 |
| Franchise fees | 114,561 | - | - | 114,561 |
| Utility taxes | 452,002 | - | - | 452,002 |
| Real estate transfer tax | - | - | - | - |
| Home rule gas tax | 58,159 | - | 58,159 | 116,318 |
| Fond and beverage tax | 67,115 | - | - | 67,115 |
| NSF checks | - | - | - | - |
| Hotel/Motel tax | - | 43,182 | - | 43,182 |
| | \$ 743,275 | \$ 43,182 | \$ 58,159 | \$ 844,616 |

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2013 was as follows:

| | Balances May 1 | Increases | Decreases | Balances April 30 |
|--|-------------------|--------------|-----------|----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 179,966,676 | \$ 1,666,804 | \$ - | \$ 181,633,480 |
| Construction in progress | 11,078,907 | 2,238,262 | 9,740,670 | 3,576,499 |
| Total capital assets not being depreciated | 191,045,583 | 3,905,066 | 9,740,670 | 185,209,979 |
| Depreciated | | | | |
| Capital assets being depreciated | 63,886,716 | 2,592,345 | 109,400 | 66,369,661 |
| Buildings and improvements | 4,548,716 | 43,124 | - | 4,591,840 |
| Machinery and equipment | 1,808,387 | - | - | 1,808,387 |
| Furniture and fixtures | 7,434,040 | 1,304,364 | 229,317 | 8,509,087 |
| Vehicles | 161,869,484 | 11,623,989 | - | 173,493,473 |
| Infrastructure | 239,547,143 | 15,561,822 | 338,717 | 254,770,248 |
| Total capital assets being depreciated | | | | |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

| | Balances May 1 | Increases | Decreases | Balances April 30 |
|---|-------------------|---------------|--------------|----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| (Continued) | | | | |
| Less accumulated depreciation for | | | | |
| Buildings and improvements | \$ 12,974,467 | \$ 1,831,101 | \$ 109,400 | \$ 14,596,168 |
| Machinery and equipment | 1,806,774 | 377,447 | - | 2,084,221 |
| Furniture and fixtures | 1,291,964 | 121,822 | - | 1,413,786 |
| Vehicles | 6,338,479 | 501,779 | 229,317 | 6,610,941 |
| Infrastructure | 71,775,324 | 5,549,188 | 77,317,663 | 77,317,663 |
| Total accumulated depreciation | 94,187,008 | 8,272,507 | 338,717 | 102,120,798 |
| Total capital assets being depreciated, Net | 145,160,335 | 7,791,315 | - | 152,651,650 |
| GOVERNMENTAL ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | \$ 336,405,918 | \$ 11,196,381 | \$ 9,740,670 | \$ 337,861,629 |
| Depreciation expense was charged to functions/programs of the governmental activities as follows: | | | | |
| GOVERNMENTAL ACTIVITIES | | | | |
| General government | | | \$ 1,215,214 | \$ 1,215,214 |
| Public safety | | | 1,241,738 | 1,241,738 |
| Public works | | | 5,626,974 | 5,626,974 |
| Culture and recreation | | | 188,581 | 188,581 |
| TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES | | | \$ 8,272,507 | \$ 8,272,507 |

| | Balances May 1 | Increases | Decreases | Balances April 30 |
|--|-------------------|-----------|-----------|----------------------|
| BUSINESS-TYPE ACTIVITIES | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 20,728 | \$ - | \$ - | \$ 20,728 |
| Construction in progress | 1,870,652 | 1,093,952 | 1,975,594 | 989,010 |
| Total capital assets not being depreciated | 1,891,381 | 1,093,952 | 1,975,594 | 1,009,738 |
| Depreciated | | | | |
| Capital assets being depreciated | 3,549,219 | 168,927 | - | 3,718,146 |
| Buildings and improvements | 6,130,337 | 98,334 | 45,700 | 6,182,971 |
| Machinery and equipment | 2,448,278 | 327,238 | - | 2,775,506 |
| Vehicles | 158,861,626 | 3,295,244 | - | 162,156,870 |
| Other Equipment | 910,541 | - | - | 910,541 |
| Total capital assets being depreciated | 171,900,001 | 3,889,733 | 45,700 | 175,744,034 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. These bonds, therefore, are reported in the proprietary funds if they are expected to be repaid from proprietary revenues. In addition, general obligation bonds have been issued to refund both general obligation bonds and revenue bonds.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village.

b. Governmental Activities

The following is a summary of long-term obligation activity for the Village associated with governmental activities for the year ended April 30, 2013:

| | Balances May 1 | Additions | Reductions | Balances April 30 | Due Within One Year |
|---|----------------------|---------------------|---------------------|----------------------|---------------------------|
| General obligation bonds | \$ 46,016,648 | \$ 2,750,000 | \$ 5,641,644 | \$ 43,125,004 | \$ 3,104,456 |
| General obligation bonds - appreciation bonds | 43,962,717 | 2,460,067 | - | 46,422,784 | - |
| Unamortized bond premiums | 401,445 | 89,846 | 48,262 | 443,029 | - |
| Capital leases | 440,279 | 818,208 | 155,909 | 1,102,576 | 218,798 |
| Compensated absences* | 3,085,793 | 1,277,060 | 1,096,640 | 3,266,213 | 990,732 |
| Net pension obligation* | 1,618,612 | 44,772 | - | 1,663,384 | - |
| TOTAL | \$ 95,540,494 | \$ 7,419,953 | \$ 6,942,455 | \$ 96,015,990 | \$ 4,313,986 |

*The General Fund resources are used to liquidate this liability.

c. Business-Type Activities

The following is a summary of long-term obligation activity for the Village with business-type activities for the year ended April 30, 2013:

| | Balances May 1 | Additions | Reductions | Balances April 30 | Due Within One Year |
|---------------------------|----------------------|-------------------|---------------------|----------------------|---------------------------|
| General obligation bonds | \$ 13,563,352 | \$ - | \$ 1,858,356 | \$ 11,704,996 | \$ 1,950,544 |
| Note payable | 22,320,169 | - | 1,150,290 | 21,169,879 | 1,179,227 |
| Unamortized bond premiums | 202,518 | - | 31,198 | 171,320 | - |
| Compensated absences | 288,686 | 206,687 | 150,322 | 339,051 | 187,681 |
| TOTAL | \$ 36,374,725 | \$ 206,687 | \$ 3,190,166 | \$ 33,385,246 | \$ 3,317,452 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

| | Balances May 1 | Increases | Decreases | Balances April 30 |
|---|-----------------------|-------------------|---------------------|-----------------------|
| BUSINESS-TYPE ACTIVITIES | | | | |
| (Continued) | | | | |
| Less accumulated depreciation for | | | | |
| Buildings and improvements | \$ 638,077 | \$ 144,879 | \$ - | \$ 782,956 |
| Machinery and equipment | 5,888,013 | 67,581 | 45,700 | 5,909,894 |
| Vehicles | 1,734,092 | 271,396 | - | 2,005,488 |
| Infrastructure | 43,582,736 | 3,765,846 | - | 47,348,582 |
| Other equipment | 721,495 | 40,525 | - | 762,020 |
| Total accumulated depreciation | \$ 52,565,313 | \$ 4,290,227 | \$ 45,700 | \$ 56,809,740 |
| Total capital assets being depreciated, | | | | |
| Net | \$ 119,334,788 | \$ (609,494) | \$ - | \$ 118,725,294 |
| BUSINESS-TYPE ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | \$ 121,226,168 | \$ 693,458 | \$ 1,975,594 | \$ 119,944,032 |

5. 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; injuries to employees; employee health; and natural disasters.

The Village is a member of the Southwest Agency for Risk Management (SWARM) which is a public entity risk pool with eight member groups (villages and cities). The Village pays annual premiums to SWARM for its workers' compensation, general liability, and property coverages.

The cooperative agreement provides that SWARM will be self-sustaining through member premiums and will reimburse through commercial companies for claims in excess of \$600,000 per occurrence for workers' compensation and \$50,000 for occurrences for general liability and \$50,000 for occurrences for property.

One representative from each member serves on the SWARM board and each board member has one vote on the board. None of its members have any direct equity interest in SWARM.

The Village purchases commercial insurance to cover its employees for health and accident claims.

The Village has not had significant reductions in insurance coverage from the previous fiscal year nor did settlements exceed insurance coverage in any of the last three years.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities

| General Obligation Bonds | Fund Debt Retired by | Balance May 1 | Additions | Refundings/Reductions | Balance April 30 | Due Within One Year |
|---|----------------------------------|---------------|-----------|-----------------------|------------------|---------------------|
| General Obligation Bonds, Series 2007A, dated September 15, 2007, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2017 in amounts between \$160,000 and \$210,000. Interest is due on June 30 and December 30 of each year at rates varying from 4.1% to 5.0%. | Debt Service | \$ 1,135,000 | \$ - | \$ (1,135,000) | \$ - | \$ - |
| General Obligation Bonds, Series 2007B, dated September 15, 2007, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2017 in amounts between \$170,000 and \$660,000. Interest is due on June 30 and December 30 of each year varying from 3.6% to 4.3%. | Debt Service | 1,785,000 | - | 1,785,000 | - | - |
| General Obligation Refunding Bonds, Series 2004, dated September 15, 2004 provide for the serial retirement of bonds on December 30, 2010 - December 30, 2024 in amounts between \$425,000 and \$2,250,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.75% to 5.00%. | Debt Service/ Water and Sewer | 16,790,000 | - | 1,810,000 | 14,980,000 | 2,050,000 |
| General Obligation Refunding Bonds, Series 2005, dated September 15, 2005, provide for the serial retirement of bonds on December 15, 2010 - December 15, 2015 in amounts between \$785,000 and \$330,000. Interest is due on June 15 and December 15 of each year at rates varying from 3.25% to 3.60%. | Water and Sewer | 1,275,000 | - | 305,000 | 970,000 | 315,000 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

| General Obligation Bonds | Fund Debt Retired by | Balance May 1 | Additions | Refundings/Reductions | Balance April 30 | Due Within One Year |
|---|----------------------|---------------|-----------|-----------------------|------------------|---------------------|
| General Obligation Refunding Bonds, Series 2007A, dated November 15, 2007, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2017 in amounts between \$540,000 and \$675,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.75% to 5.25%. | Water and Sewer | \$ 3,710,000 | \$ - | \$ (580,000) | \$ 3,130,000 | \$ 605,000 |
| General Obligation Refunding Bonds, Series 2007B, dated November 15, 2007, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2026 in amounts between \$2,000,000 and \$4,750,000. Interest is due on June 30 and December 30 of each year at rates varying from 4.00% to 4.375%. | Debt Service | 12,900,000 | - | - | 12,900,000 | - |
| General Obligation Bonds, Series 2008A, dated June 30, 2008, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2020 in amounts between \$400,000 and \$2,050,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.25% to 4.125%. | Debt Service | 9,650,000 | - | 700,000 | 8,950,000 | 850,000 |
| General Obligation Refunding Bonds, Series 2008C, dated November 3, 2008, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2018 in amounts between \$325,000 and \$1,245,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.5% to 4.0%. | Water and Sewer | 4,305,000 | - | 330,000 | 3,875,000 | 350,000 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

| | Fund Debt Retired by | Balances May 1 | Additions | Refundings/ Reductions | Balances April 30 | Due Within One Year |
|---|----------------------------|-------------------|-----------|---------------------------|----------------------|---------------------------|
| General Obligation Bonds | | | | | | |
| (Continued) | | | | | | |
| General Obligation Bonds, Series 2009, dated May 4, 2009, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2029 in amounts between \$205,000 and \$510,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.00% to 4.375%. | Debt Service | \$ 6,280,000 | \$ - | \$ 225,000 | \$ 6,055,000 | \$ 235,000 |
| General Obligation Refunding Bonds, Series 2010, dated June 7, 2010, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2014 in amounts between \$65,000 and \$650,000. Interest is due on June 30 and December 30 of each year at rates varying from 2.00% to 2.50%. | Debt Service | 1,650,000 | - | 650,000 | 1,220,000 | 650,000 |
| General Obligation Refunding Bonds, Series 2011A, dated October 10, 2011, provide for the serial retirement of bonds on December 30, 2011 - December 30, 2017 in amounts between \$170,000 and \$310,000. Interest is due on June 30 and December 30 of each year at rates of 2.00%. | Debt Service | - | 975,000 | - | 975,000 | - |
| General Obligation Refunding Bonds, Series 2012B, dated October 10, 2012, provide for the serial retirement of bonds on December 30, 2012 - December 30, 2017 in amounts between \$235,000 and \$645,000. Interest is due on June 30 and December 30 of each year at rates of 2.00%. | Debt Service | - | 1,775,000 | - | 1,775,000 | - |
| Total General Obligation Bonds | | \$9,580,000 | 2,750,000 | 7,400,000 | \$4,830,000 | \$1,885,000 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

| | Fund Debt Retired by | Balances May 1 | Additions | Refundings/ Reductions | Balances April 30 | Due Within One Year |
|--|----------------------------|-------------------|--------------|---------------------------|----------------------|---------------------------|
| General Obligation (Capital Appreciation) Bonds | | | | | | |
| General Obligation (Capital Appreciation) Bonds, Series 2008B | | | | | | |
| Bonds, dated June 30, 2008, provide for the serial retirement of bonds on December 30, 2021 - December 30, 2039 in amounts including interest between \$5,300,000 and \$6,500,000. Interest rates vary from 5.12% to 5.85% (includes accrued interest of \$2,091,384). | | | | | | |
| Capital leases | Debt Service | \$ 43,962,717 | \$ 2,460,067 | \$ - | \$ 46,422,784 | \$ - |
| Note Payable, dated August 1, 2006, provides for retirement of principal on December 1 and June 1 of each year in two annual amounts of \$1,701,150, including interest at 2.5% through December 1, 2027. | Water and Sewer | 22,320,169 | 1,150,290 | 21,169,879 | 1,179,227 | - |
| TOTAL | | \$ 126,301,165 | \$ 6,028,273 | \$ 8,806,199 | \$ 133,525,239 | \$ 6,453,025 |

e. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

| Fiscal Year | Governmental Activities General Obligation Bonds Principal | Interest |
|-------------|--|--------------|
| 2014 | \$ 3,104,456 | \$ 1,640,092 |
| 2015 | 3,574,309 | 1,586,596 |
| 2016 | 3,430,333 | 1,451,996 |
| 2017 | 4,462,414 | 1,320,820 |
| 2018 | 5,203,492 | 1,157,302 |
| 2019 | 5,875,000 | 983,110 |
| 2020 | 5,665,000 | 763,025 |
| 2021 | 5,975,000 | 522,363 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

c. Debt Service Requirements to Maturity (Continued)

Annual debt service requirements to maturity are as follows:

| Fiscal Year | Governmental Activities | | Business-type Activities | |
|-------------|------------------------------------|---------------|------------------------------------|-----------------------|
| | General Obligation Bonds Principal | Interest | General Obligation Bonds Principal | Note Payable Interest |
| 2022 | \$ 815,000 | \$ 260,538 | \$ 1,950,544 | \$ 489,860 |
| 2023 | 855,000 | 223,238 | 1,995,691 | 409,718 |
| 2024 | 895,000 | 184,138 | 2,074,667 | 335,839 |
| 2025 | 945,000 | 143,188 | 2,172,586 | 259,072 |
| 2026 | 420,000 | 99,538 | 2,266,508 | 165,975 |
| 2027 | 440,000 | 82,212 | 1,245,000 | 49,800 |
| 2028 | 465,000 | 63,513 | - | - |
| 2029 | 490,000 | 43,750 | - | - |
| 2030 | 510,000 | 22,313 | - | - |
| TOTAL | \$ 43,125,004 | \$ 10,547,732 | - | - |
| | | | | |
| | | | General Obligation Bonds Principal | Note Payable Interest |
| 2014 | | | \$ 1,950,544 | \$ 489,860 |
| 2015 | | | 1,995,691 | 409,718 |
| 2016 | | | 2,074,667 | 335,839 |
| 2017 | | | 2,172,586 | 259,072 |
| 2018 | | | 2,266,508 | 165,975 |
| 2019 | | | 1,245,000 | 49,800 |
| 2020 | | | - | - |
| 2021 | | | - | - |
| 2022 | | | - | - |
| 2023 | | | - | - |
| 2024 | | | - | - |
| 2025 | | | - | - |
| 2026 | | | - | - |
| 2027 | | | - | - |
| 2028 | | | - | - |
| 2029 | | | - | - |
| 2030 | | | - | - |
| TOTAL | | | \$ 11,704,996 | \$ 1,710,264 |
| | | | | |
| | | | General Obligation Bonds Principal | Note Payable Interest |
| 2014 | | | \$ 1,950,544 | \$ 489,860 |
| 2015 | | | 1,995,691 | 409,718 |
| 2016 | | | 2,074,667 | 335,839 |
| 2017 | | | 2,172,586 | 259,072 |
| 2018 | | | 2,266,508 | 165,975 |
| 2019 | | | 1,245,000 | 49,800 |
| 2020 | | | - | - |
| 2021 | | | - | - |
| 2022 | | | - | - |
| 2023 | | | - | - |
| 2024 | | | - | - |
| 2025 | | | - | - |
| 2026 | | | - | - |
| 2027 | | | - | - |
| 2028 | | | - | - |
| TOTAL | | | \$ 11,704,996 | \$ 1,710,264 |
| | | | | |
| | | | General Obligation Bonds Principal | Note Payable Interest |
| 2014 | | | \$ 1,950,544 | \$ 489,860 |
| 2015 | | | 1,995,691 | 409,718 |
| 2016 | | | 2,074,667 | 335,839 |
| 2017 | | | 2,172,586 | 259,072 |
| 2018 | | | 2,266,508 | 165,975 |
| 2019 | | | 1,245,000 | 49,800 |
| 2020 | | | - | - |
| 2021 | | | - | - |
| 2022 | | | - | - |
| 2023 | | | - | - |
| 2024 | | | - | - |
| 2025 | | | - | - |
| 2026 | | | - | - |
| 2027 | | | - | - |
| 2028 | | | - | - |
| TOTAL | | | \$ 11,704,996 | \$ 1,710,264 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

c. Debt Service Requirements to Maturity (Continued)

| Fiscal Year | General Obligation Capital Appreciation Bonds Payable from Governmental Activities | |
|-------------|--|----------------|
| | Principal | Repayment |
| 2014 | \$ 2,597,934 | \$ - |
| 2015 | 2,743,540 | - |
| 2016 | 2,897,318 | - |
| 2017 | 3,059,729 | - |
| 2018 | 3,231,257 | - |
| 2019 | 3,412,414 | - |
| 2020 | 3,603,743 | - |
| 2021 | 3,805,816 | - |
| 2022 | 4,019,235 | 5,500,000 |
| 2023 | 3,959,435 | 6,000,000 |
| 2024 | 3,866,033 | 6,000,000 |
| 2025 | 3,764,213 | 6,000,000 |
| 2026 | 3,652,724 | 6,500,000 |
| 2027 | 3,503,925 | 6,500,000 |
| 2028 | 3,344,059 | 6,500,000 |
| 2029 | 3,172,353 | 6,500,000 |
| 2030 | 2,987,981 | 6,500,000 |
| 2031 | 2,790,732 | 6,500,000 |
| 2032 | 2,579,737 | 6,500,000 |
| 2033 | 2,354,742 | 6,500,000 |
| 2034 | 2,116,166 | 6,500,000 |
| 2035 | 1,863,193 | 6,500,000 |
| 2036 | 1,594,950 | 6,500,000 |
| 2037 | 1,310,520 | 6,500,000 |
| 2038 | 1,008,928 | 6,500,000 |
| 2039 | 689,149 | 6,500,000 |
| 2040 | 347,390 | 6,200,000 |
| TOTAL | \$ 74,277,216 | \$ 120,700,000 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

f. Capital Lease Obligation

The Village leases vehicles under capital leases, which expire between June 2013 and August 2023. Annual lease payments, including interest ranging from 1.37% to 6.39%, range from \$1,809 to \$58,725. The cost of the capital assets acquired under capital leases was \$1,394,172, all of which is included in governmental activities vehicles.

Minimum future lease payments under the capital lease together with the present value of the net minimum lease payments as of April 30, 2013 are as follows:

| Fiscal Year Ending April 30, | Payment |
|--|------------|
| 2014 | \$ 252,810 |
| 2015 | 194,085 |
| 2016 | 148,213 |
| 2017 | 148,213 |
| 2018 | 148,213 |
| 2019 | 111,193 |
| 2020 | 75,110 |
| 2021 | 49,507 |
| 2022 | 49,507 |
| 2023 | 49,507 |
| Total minimum lease payments | 1,226,358 |
| Less amount representing interest | (123,782) |
| Present value of future minimum lease payments | 1,102,576 |
| Less current portion | (218,798) |
| LONG-TERM PORTION | \$ 883,778 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

g. Legal Debt/Margint

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 General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property ... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent ... indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum ... shall not be included in the foregoing percentage amounts."

To date, the General Assembly has set no limits for home rule municipalities.

h. Conduit Debt

In a prior fiscal year, the Village issued Adjustable Rate Demand Revenue Bonds to Lewis University (the University) for the purpose of financing. These bonds are collateralized only by the revenue of the University and are not considered liabilities or contingent liabilities of the Village. The principal amount of the series could not be determined; however, the original issue amount of the bonds was \$44,950,000.

In a prior fiscal year, the Village issued Industrial Development Revenue Bonds to CGI Real Estate, LLC (the Company) for the purpose of financing. These bonds are collateralized only by the revenue of the Company and are not considered liabilities or contingent liabilities of the Village. The principal amount of the series could not be determined; however, the original issue amount of the bonds was \$5,500,000.

i. Refunding

On October 10, 2012, the Village issued \$975,000 General Obligation Refunding Bonds, Series 2012A, to advance refund, through an in-substance defeasance, \$1,135,000 of the Series 2002A General Obligation Bonds. The bonds were paid from escrow on December 30, 2012. Through the refunding, the Village reduced its debt service by \$50,586 and achieved an economic gain of \$47,251.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

i. Refunding (Continued)

On October 10, 2012, the Village issued \$1,775,000 General Obligation Refunding Bonds, Series 2012B, to advance refund, through an in-substance defeasance, \$1,785,000 of the Series 2002B General Obligation Bonds. The bonds were paid from escrow on December 30, 2012. Through the refunding, the Village reduced its debt service by \$167,766 and achieved an economic gain of \$159,045.

7. INDIVIDUAL FUND DISCLOSURES

a. Interfund Transactions

Due from/to other funds at April 30, 2013 consist of the following:

| | Fund | Due From | Due To |
|-----------------------|------|--------------|--------------|
| Major Governmental | | | |
| Recreation | | | |
| General | | \$ 354,366 | \$ - |
| Facility Construction | | 81,829 | - |
| Nonmajor Governmental | | 357,558 | - |
| Fiduciary | | 130,081 | - |
| General | | | |
| Recreation | | - | 354,366 |
| Facility Construction | | - | 81,829 |
| Nonmajor Governmental | | - | 357,558 |
| Fiduciary | | - | 130,081 |
| Nonmajor Governmental | | | |
| Local Gas Tax | | 216,254 | - |
| Motor Fuel Tax | | - | - |
| Nonmajor Governmental | | - | 216,254 |
| TOTAL ALL FUNDS | | \$ 1,140,088 | \$ 1,140,088 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Advances

Advances between funds during the year were as follows:

| | Fund | Advances From | Advances To |
|-----------------------|------|---------------|-------------|
| Major Governmental | | | |
| General | | \$ 499,033 | \$ - |
| Nonmajor Governmental | | - | 499,033 |
| Nonmajor Governmental | | | |
| General | | \$ 499,033 | \$ 499,033 |
| TOTAL ALL FUNDS | | \$ 499,033 | \$ 499,033 |

\$3.68 million in funds were transferred from the Marquette TIF District Fund to the General Fund in fiscal year 1998 through fiscal year 2002, that were used to support Fire Station 2 operations that ultimately the Village determined should be repaid to the Marquette TIF Fund. The Village is repaying \$261,300 a year until the amount is repaid in full. The balance as of April 30, 2013 was \$499,033.

c. Transfers

Transfers between funds during the year were as follows:

| | Fund | Transfers In | Transfers Out |
|-----------------------|------|--------------|---------------|
| Major Governmental | | | |
| General | | \$ - | \$ 1,078,850 |
| Recreation | | 30,000 | 3,555,300 |
| Nonmajor Governmental | | | |
| General | | 1,078,850 | - |
| Nonmajor Governmental | | - | 217,800 |
| Nonmajor Governmental | | | |
| General | | - | 30,000 |
| Debt Service | | 3,555,300 | - |
| General | | 217,800 | - |
| Recreation | | 3,340,254 | 3,340,254 |
| Nonmajor Governmental | | - | - |
| TOTAL ALL FUNDS | | \$ 8,222,204 | \$ 8,222,204 |

7. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Transfers (Continued)

The purposes of significant interfund transfers are as follows:

- \$1,078,850 transferred to General Fund to Recreation Fund to support the recreation department projects and activities.
- \$3,555,300 transferred from the General Fund to the Debt Service Fund (Nonmajor Governmental Fund) to lessen the property tax burden on residents.
- \$3,340,254 transferred from Marquette TIF District Fund (Nonmajor Governmental Fund) to the Downtown TIF District Fund (Nonmajor Governmental Fund) for various TIF related projects. The main financing mechanism for the Downtown TIF District Fund will be the Marquette TIF District Fund.
- \$217,800 transferred from the Recreation Fund to the Debt Service Fund (Nonmajor Governmental Fund) to lessen the property tax burden on residents.

8. COMMITMENTS

On July 18, 2007, the Village entered into an agreement with a developer to provide possible future economic assistance for the development of an 80 acre parcel of land located on Weber Road. This agreement runs for an eight year period, commencing on the occupancy of various parcels in the development. Subject to some restrictions and priorities, the Village will remit 50% of sales taxes generated in the development up to \$4,000,000. As of April 30, 2013, the Village has remitted \$2,092,866 related to this agreement of which \$168,524 is included in accrued liabilities.

On August 15, 2007, the Village entered into an agreement with a developer to provide possible future economic assistance for the development of a 76 acre parcel of land located on Weber Road known as RomeoVille Crossings. This agreement runs for a seven year period, commencing on the occupancy of Wal-Mart in February 2008. Subject to some restrictions and priorities, the Village will remit 50% of sales taxes generated in the development up to \$5,100,000. As of April 30, 2013, the Village has remitted \$2,959,804 related to this agreement of which \$165,839 is included in accrued liabilities.

8. COMMITMENTS (Continued)

On December 2, 2008, the Village entered into an agreement with a developer to provide possible future economic assistance for the development of a 39,775 acre parcel of land located on Weber Road. Commencing on the occupancy of the Meijer Store and subject to some restrictions and priorities, the Village will remit 50% of sales taxes generated in the development up to \$4,800,000. The assistance shall continue until the total reimbursement amount of \$4,800,000 is paid in full to the developer. As of April 30, 2013, the Village has not remitted any reimbursement to the developer.

On March 17, 2010, the Village entered into an agreement with a developer to provide improvements to the electric utility system with the Village. The electric utility system is subject to some restrictions and priorities, the Village will provide a total reimbursement of \$1,710,000 to be remitted over a period of seven years with the first reimbursement scheduled on May 15, 2010. The assistance shall continue until the total reimbursement amount of \$1,710,000 is paid in full to the developer, which is set to occur on May 15, 2016. As of April 30, 2013, the Village has remitted \$600,000 in reimbursement payments.

On October 20, 2010, the Village entered into an economic incentive agreement with a local restaurant located on Illinois Route 53. Under this agreement, the Village will remit 50% of Home-Rule sales tax and food and beverage tax generated up to a maximum of \$125,000. As of April 30, 2013, the Village has remitted \$21,870 related to this agreement of which \$3,348 is included in accrued liabilities.

9. CONTINGENT LIABILITIES

a. Litigation

The Village has been sued by an entity claiming damages related to a ruptured oil pipeline in September 2010. A motion to dismiss was denied on September 25, 2012. The Village has been advised by legal counsel that it will aggressively defend the lawsuit. The likelihood of an unfavorable outcome is estimated at less than 50%. The estimate of potential loss is not determinable as of the date of the issuance of this financial report.

b. 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 ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's governmental and business-type activities.

b. Benefits Provided

The Village provides pre and post-Medicare postretirement health insurance to retirees, their spouses, and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

c. Membership

At April 30, 2012, the most recent information available, membership consisted of:

| | |
|--|------------|
| Retirees and beneficiaries currently receiving benefits | 20 |
| Terminated employees entitled to benefits but not yet receiving them | - |
| Active employees | 216 |
| TOTAL | 236 |
| Participating employees | 1 |

d. Funding Policy

The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the Plan until retirement.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2013 was as follows:

| Fiscal Year Ended | Annual OPEB Cost | Employer Contributions | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-------------------|------------------|------------------------|--|---------------------|
| April 30, 2011 | \$ 85,850 | \$ 146,850 | 171.05% | \$ (79,715) |
| April 30, 2012 | 85,650 | 146,850 | 171.49% | (140,935) |
| April 30, 2013 | 131,334 | 146,850 | 111.81% | (156,451) |

The net OPEB obligation as of April 30, 2013 was calculated as follows:

| | |
|---|---------------------|
| Annual required contribution | \$ 132,273 |
| Interest on net OPEB obligation (asset) | (5,637) |
| Adjustment to annual required contribution | 4,698 |
| Annual OPEB cost | 131,334 |
| Contributions made | 146,850 |
| Increase in net OPEB obligation (asset) | (15,516) |
| Net OPEB obligation (asset), beginning of year | (140,935) |
| NET OPEB OBLIGATION (ASSET), END OF YEAR | \$ (156,451) |

Funded Status and Funding Progress: The funded status and funding progress of the Plan as of April 30, 2012 was as follows:

| | |
|---|---------------|
| Actuarial accrued liability (AAL) | \$ 1,964,941 |
| Actuarial value of plan assets | - |
| Unfunded actuarial accrued liability (UAAL) | 1,964,941 |
| Funded ratio (actuarial value of plan assets/AAL) | 0% |
| Covered payroll (active plan members) | \$ 16,095,846 |
| UAAL as a percentage of covered payroll | 12.21% |

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Annual OPEB Costs and Net OPEB Obligation (Continued)

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

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

In the April 30, 2012 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 4.0% and an initial healthcare cost trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2012 was 30 years.

11. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. Note of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police or Firefighters' 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. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contributions for the calendar year ended December 31, 2012 was 11.67% of covered payroll.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by ILCS (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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 Police Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2012, the Village's contribution was 25.78% of covered payroll.

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by ILCS (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund. At April 30, 2012, most recent information available, the Firefighters' Pension Plan membership consisted of:

| | |
|--|-----------|
| Retirees and beneficiaries currently receiving benefits | - |
| Terminated employees entitled to benefits but not yet receiving them | - |
| Current employees | 6 |
| Vested | 16 |
| Nonvested | 22 |
| TOTAL | 22 |

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten 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 covered employee 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 3.00% of the original pension and 3.00% compounded annually thereafter.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

At April 30, 2012, most recent information available, the Police Pension Plan membership consisted of:

| | |
|--|-----------|
| Retirees and beneficiaries currently receiving benefits | 21 |
| Terminated employees entitled to benefits but not yet receiving them | - |
| Current employees | 42 |
| Vested | 21 |
| Nonvested | 84 |
| TOTAL | 84 |

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired as a police officer prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% 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 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten 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 officers' salary for pension purposes is capped at \$106,800, plus the lesser of 1/3 of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/3% 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 3.00% or 1/3 of the change in the Consumer Price Index for the preceding calendar year.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters salary for pension purposes is capped at \$106,800, plus the lesser of 1/2 of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/3% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter 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 3.00% or 1/2 of the change in the Consumer Price Index for the preceding calendar year.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan. For the year ended April 30, 2012, the Village's contribution was 19.70% of covered payroll.

b. 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 when due. Benefits and refunds are recognized when due and payable.

Method Used to Value Investments

Investments are reported at fair value. Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed income securities are recognized on the transaction date.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Administrative Costs

Administrative costs for the Police and Firefighters' Pension Plans are financed primarily through investment earnings.

c. Significant Investments

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.00% or more of plan net position for either the Police or the Firefighters' Pension Plans. Information for IMRF is not available.

d. Annual Pension Costs

Employer contributions have been determined as follows:

| | December 31, 2010 | April 30, 2012 | April 30, 2012 |
|--|--|--|--|
| Actuarial valuation date | Entry-age Normal | Entry-age Normal | Entry-age Normal |
| Actuarial cost method | Level | Level | Level |
| Amortization method | Percentage of Projected Payroll - Open Basis | Percentage of Projected Payroll - Closed Basis | Percentage of Projected Payroll - Closed Basis |
| Amortization period | 30 Years | 29 Years | 29 Years |
| Significant actuarial assumptions | | | |
| a) Rate of return on present and future assets | 7.50% Compounded Annually | 7.00% Compounded Annually | 7.00% Compounded Annually |
| b) Projected salary increase - attributable to inflation | 4.00% Compounded Annually | 5.50% Compounded Annually | 5.50% Compounded Annually |
| c) Additional projected salary increases - seniority/merit | 40% to 10.00% | Not Available | Not Available |
| d) Postretirement benefit increases | 3.00% | 3.00% Compounded Annually | 3.00% Compounded Annually |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

d. Annual Pension Costs (Continued)

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

| | Illinois Municipal Retirement | Police Pension | Firefighters' Pension |
|-------------------------------|---|-------------------|--------------------------|
| Annual pension cost (APC) | 2011 \$ 1,062,441 \$ 1,564,713 \$ 329,719 | | |
| | 2012 1,126,969 1,594,965 319,898 | | |
| | 2013 1,248,978 1,405,662 319,097 | | |
| Actual contributions | 2011 \$ 1,062,441 \$ 1,538,004 \$ 326,594 | | |
| | 2012 1,126,969 1,555,002 316,004 | | |
| | 2013 1,248,978 1,365,554 314,433 | | |
| Percentage of APC contributed | 2011 100.00% 98.29% 99.05% | | |
| | 2012 100.00% 97.49% 98.78% | | |
| | 2013 100.00% 97.15% 98.54% | | |
| NPO (asset) | 2011 \$ - \$ 1,430,162 \$ 164,593 | | |
| | 2012 - 1,470,125 168,487 | | |
| | 2013 - 1,510,233 173,151 | | |

The NPO (asset) as of April 30, 2013 has been calculated as follows:

| | Police Pension | Firefighters' Pension |
|--|-------------------------|--------------------------|
| Annual required contributions | \$ 1,364,969 \$ 314,433 | |
| Interest on net pension obligation | 102,909 11,794 | |
| Adjustment to annual required contribution | (62,216) (7,130) | |
| Annual pension cost | 1,405,662 319,097 | |
| Contributions made | 1,365,554 314,433 | |
| Increase in net pension obligation | 40,108 4,664 | |
| Net pension obligation, beginning of year | 1,470,125 168,487 | |
| NET PENSION OBLIGATION, END OF YEAR | \$ 1,510,233 \$ 173,151 | |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

e. Funded Status and Funding Progress

The funded status and funding progress of the plans as of December 31, 2012 (IMRF) and April 30, 2012, for the police and firefighters' pension were as follows:

| | Illinois Municipal Retirement | Police Pension | Firefighters' Pension |
|---|--|-------------------|--------------------------|
| Actuarial valuation date | December 31, 2012 | April 30, 2012 | April 30, 2012 |
| Actuarial accrued liability (AAL) | \$ 24,849,115 \$ 39,747,179 \$ 5,289,641 | | |
| Actuarial value of plan assets | 18,417,359 25,050,194 4,978,597 | | |
| Unfunded actuarial accrued liability (UAAAL) | 6,431,756 14,696,985 311,044 | | |
| Funded ratio (actuarial value of plan assets/AAL) | 74.12% 63.02% 94.12% | | |
| Covered payroll (active plan members) | \$ 10,128,194 \$ 5,296,414 \$ 1,595,726 | | |
| UAAAL as a percentage of covered payroll | 63.30% 277.49% 19.49% | | |

The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans as disclosed in Note 11d.

The schedule of funding progress, presented in the RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

12. PENSION TRUST FUNDS

a. Schedule of Net Position as of April 30, 2013

| | Police Pension | Firefighters' Pension | Total |
|--|---------------------------------|--------------------------|-------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 423,393 \$ - \$ 423,393 | | |
| Investments | | | |
| U.S. Government and agency obligations | 10,412,298 3,216,413 13,628,711 | | |
| Municipal bonds | - 505,014 505,014 | | |
| Equity mutual funds | 16,976,017 2,031,442 19,007,459 | | |
| Money market mutual funds | 97,592 11,485 109,077 | | |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

| 12. PENSION TRUST FUNDS (Continued) | | | | |
|--|-------------------|--------------------------|---------------|--|
| b. Schedule of Changes in Net Position for the year ended April 30, 2013 (Continued) | | | | |
| | Police Pension | Firefighters' Pension | Total | |
| DEDUCTIONS | | | | |
| Administrative | \$ 8,386 | \$ 29,729 | \$ 38,115 | |
| Pension benefits and refunds | 1,355,958 | 36,024 | 1,391,982 | |
| Total deductions | 1,364,344 | 65,753 | 1,430,097 | |
| NET INCREASE | 2,811,326 | 770,024 | 3,581,350 | |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS | | | | |
| May 1 | 25,049,891 | 4,978,598 | 30,028,489 | |
| April 30 | \$ 27,861,217 | \$ 5,748,622 | \$ 33,609,839 | |
| 13. PRIOR PERIOD ADJUSTMENT | | | | |
| The beginning net position of governmental activities was restated by \$(1,970,000) and beginning net position of business-type activities and the Water and Sewer Fund were restated by \$(198,193). Beginning net position was restated to expense unamortized bond issuance costs in accordance with GASB Statement No. 65. | | | | |
| 14. SUBSEQUENT EVENTS | | | | |
| Subsequent to fiscal year end, the Village issued \$12,870,000 of General Obligation Bonds, Series 2013A. | | | | |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

| 12. PENSION TRUST FUNDS (Continued) | | | | |
|--|-------------------|--------------------------|---------------|--|
| a. Schedule of Net Position as of April 30, 2013 (Continued) | | | | |
| | Police Pension | Firefighters' Pension | Total | |
| ASSETS (Continued) | | | | |
| Receivables | \$ 35,176 | \$ 31,925 | \$ 67,101 | |
| Accrued interest | 27,944,476 | 5,796,279 | 33,740,755 | |
| Total assets | | | | |
| LIABILITIES | | | | |
| Accounts payable | 83,259 | 835 | 835 | |
| Due to Village | 83,259 | 46,822 | 130,081 | |
| Total liabilities | | | | |
| NET POSITION | \$ 27,861,217 | \$ 5,748,622 | \$ 33,609,839 | |
| b. Schedule of Changes in Net Position for the year ended April 30, 2013 | | | | |
| | Police Pension | Firefighters' Pension | Total | |
| ADDITIONS | | | | |
| Contributions | \$ 1,365,555 | \$ 314,433 | \$ 1,679,988 | |
| Employer | 536,615 | 138,054 | 674,669 | |
| Employee | | | | |
| Total contributions | 1,902,170 | 452,487 | 2,354,657 | |
| Investment income | | | | |
| Net appreciation in fair value of investments | 1,618,406 | 272,549 | 1,890,955 | |
| Interest | 655,094 | 110,741 | 765,835 | |
| Total investment income | 2,273,500 | 383,290 | 2,656,790 | |
| Total additions | 4,175,670 | 835,777 | 5,011,447 | |

VILLAGE OF ROMEVILLE, ILLINOIS
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2013

| Actuarial Valuation Date December 31, | (1) Actuarial Value of Assets | (2) Actuarial Liability (AAL) Entry Age | (3) Funded Ratio (1)/(2) | (4) Unfunded AAL (UAAAL) (2)-(1) | (5) Covered Payroll | UAAAL as a Percentage of Covered Payroll (4)/(5) |
|--|--|---|-----------------------------------|--|---------------------------|---|
| 2007 | \$ 14,533,936 | \$ 16,954,438 | 85.72% | \$ 2,420,502 | \$ 8,723,099 | 27.75% |
| 2008 | 14,336,552 | 19,076,604 | 75.15% | 4,740,052 | 9,343,763 | 50.73% |
| 2009 | 15,223,154 | 20,654,969 | 74.28% | 5,311,815 | 9,680,397 | 54.87% |
| 2010 | 15,574,641 | 21,536,363 | 72.32% | 5,961,722 | 9,627,375 | 61.92% |
| 2011 | 16,136,534 | 22,843,276 | 70.64% | 6,706,742 | 9,786,537 | 68.53% |
| 2012 | 18,417,359 | 24,849,115 | 74.12% | 6,431,756 | 10,138,194 | 63.50% |

VILLAGE OF ROMEVILLE, ILLINOIS
SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND

April 30, 2013

| Actuarial Valuation Date April 30, | (1) Actuarial Value of Assets | (2) Actuarial Liability (AAL) Entry Age | (3) Funded Ratio (1)/(2) | (4) Unfunded AAL (UAAAL) (2)-(1) | (5) Covered Payroll | UAAAL as a Percentage of Covered Payroll (4)/(5) |
|---|--|---|-----------------------------------|--|---------------------------|---|
| 2007 | \$ 16,376,667 | \$ 25,626,834 | 63.90% | \$ 9,250,167 | \$ 4,470,203 | 209.27% |
| 2008 | 17,480,366 | 28,304,804 | 61.76% | 10,824,438 | 4,495,763 | 240.77% |
| 2009 | 18,331,506 | 30,631,806 | 59.82% | 12,300,300 | 5,125,809 | 278.99% |
| 2010 | 20,404,694 | 34,458,323 | 59.22% | 14,053,629 | 5,256,962 | 267.33% |
| 2011 | 23,549,260 | 36,970,648 | 63.70% | 13,421,388 | 5,070,922 | 264.67% |
| 2012 | 25,050,194 | 39,747,179 | 63.03% | 14,696,985 | 5,296,414 | 277.49% |

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF FUNDING PROGRESS
FIREFIGHTERS' PENSION FUND

April 30, 2013

| Actuarial Valuation Date April 30, | (1) Actuarial Value of Assets | (2) Actuarial Liability (AAL) Entry-Age | (3) Funded Ratio (1)/(2) | (4) Unfunded AAL (UAAI) (2) - (1) | (5) Covered Payroll | UAAI as a Percentage of Covered Payroll (4)/(5) |
|------------------------------------|----------------------------------|---|-----------------------------|---|------------------------|---|
| 2007 | \$ 1,791,307 | \$ 2,871,649 | 62.38% | \$ 1,080,342 | \$ 1,004,593 | 107.54% |
| 2008 | 2,215,720 | 3,255,029 | 68.11% | 1,037,309 | 1,167,102 | 88.88% |
| 2009 | 2,697,822 | 3,784,486 | 71.29% | 1,086,664 | 1,216,426 | 89.33% |
| 2010 | 3,495,565 | 4,239,264 | 82.48% | 742,699 | 1,244,570 | 59.68% |
| 2011 | 4,264,045 | 4,667,866 | 91.35% | 403,821 | 1,344,327 | 30.03% |
| 2012 | 4,978,597 | 5,289,641 | 94.12% | 311,044 | 1,595,726 | 19.49% |

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2013

| Actuarial Valuation Date April 30, | (1) Actuarial Value of Assets | (2) Actuarial Liability (AAL) Entry-Age | (3) Funded Ratio (1)/(2) | (4) Unfunded AAL (UAAI) (2) - (1) | (5) Covered Payroll | UAAI as a Percentage of Covered Payroll (4)/(5) |
|------------------------------------|----------------------------------|---|-----------------------------|---|------------------------|---|
| 2009 | \$ - | \$ 735,666 | 0.00% | \$ 735,666 | \$ 15,736,193 | 4.67% |
| 2010 | - | 1,392,531 | 0.00% | 1,392,531 | 15,078,910 | 9.23% |
| 2011 | N/A | N/A | N/A | N/A | N/A | N/A |
| 2012 | - | 1,964,941 | 0.00% | 1,964,941 | 16,095,846 | 12.21% |
| 2013 | N/A | N/A | N/A | N/A | N/A | N/A |

N/A - actuarial valuation not performed.

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. Information for prior years is not available.

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2013

| Fiscal Year | Employer Contributions | Annual Required Contribution (ARC) | Percentage Contributed |
|-------------|------------------------|------------------------------------|------------------------|
| 2008 | \$ 837,417 | \$ 837,417 | 100.00% |
| 2009 | 868,035 | 868,035 | 100.00% |
| 2010 | 968,040 | 968,040 | 100.00% |
| 2011 | 1,062,441 | 1,062,441 | 100.00% |
| 2012 | 1,126,969 | 1,126,969 | 100.00% |
| 2013 | 1,248,978 | 1,248,978 | 100.00% |

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

April 30, 2013

| Fiscal Year | Employer Contributions | Annual Required Contribution (ARC) | Percentage Contributed |
|-------------|------------------------|------------------------------------|------------------------|
| 2008 | \$ 1,026,033 | \$ 1,026,752 | 99.93% |
| 2009 | 1,121,630 | 1,126,814 | 99.54% |
| 2010 | 1,247,460 | 1,437,794 | 86.76% |
| 2011 | 1,538,004 | 1,538,440 | 99.97% |
| 2012 | 1,555,002 | 1,553,747 | 100.08% |
| 2013 | 1,365,554 | 1,364,969 | 100.04% |

VILLAGE OF ROMEQVILLR, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

April 30, 2013

| Fiscal Year | Employer Contributions | Annual Required Contribution (ARC) | Percentage Contributed |
|-------------|------------------------|------------------------------------|------------------------|
| 2008 | \$ 185,159 | \$ 184,642 | 100.28% |
| 2009 | 276,777 | 276,662 | 100.04% |
| 2010 | 314,480 | 314,341 | 100.04% |
| 2011 | 326,594 | 326,719 | 99.96% |
| 2012 | 316,004 | 315,154 | 100.27% |
| 2013 | 314,433 | 314,433 | 100.00% |

VILLAGE OF ROMEQVILLR, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2013

| Fiscal Year | Employer Contributions | Annual Required Contribution (ARC) | Percentage Contributed |
|-------------|------------------------|------------------------------------|------------------------|
| 2009 | \$ 27,552 | \$ 77,798 | 35.41% |
| 2010 | 146,850 | 77,051 | 190.59% |
| 2011 | 146,850 | 86,162 | 170.43% |
| 2012 | 146,850 | 86,162 | 170.43% |
| 2013 | 146,850 | 132,273 | 111.02% |

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. Information for prior years is not available.

APPENDIX B

DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Village as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Village or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The Village may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

We hereby certify that we have examined a certified copy of the proceedings (the "*Proceedings*") of the President and Board of Trustees of the Village of Romeoville, Will County, Illinois (the "*Village*"), passed preliminary to the issuance by the Village of its fully registered General Obligation Refunding Bonds, Series 2014 (the "*Bonds*"), to the amount of \$9,195,000, dated the date hereof, of the denomination of \$5,000 and integral multiples thereof, and due serially on December 30 of the years and in the amounts and bearing interest at the rates per cent per annum as follows:

| YEAR | AMOUNT (\$) | RATE (%) |
|------|-------------|----------|
| 2015 | 1,010,000 | 3.00 |
| 2016 | 2,210,000 | 3.00 |
| 2017 | 2,220,000 | 3.00 |
| 2018 | 1,345,000 | 3.00 |
| 2019 | 370,000 | 3.00 |
| 2020 | 380,000 | 3.00 |
| 2021 | 395,000 | 3.00 |
| 2022 | 405,000 | 4.00 |
| 2023 | 420,000 | 4.00 |
| 2024 | 440,000 | 4.00 |

From such examination, we are of the opinion that the Proceedings show lawful authority for the issuance of the Bonds under the laws of the State of Illinois now in force.

We further certify that we have examined the form prescribed for the Bonds and find the same in due form of law, and in our opinion the Bonds, to the amount named, are valid and legally binding upon the Village, and all taxable property in the Village is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

It is our opinion that, subject to the Village's compliance with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended (the "*Code*"), but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such Village covenants could cause interest on the Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

It is also our opinion that the Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

In rendering this opinion, we have relied upon certifications of the Village with respect to certain material facts within the Village's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

APPENDIX D

**VILLAGE OF ROMEOVILLE
WILL COUNTY, ILLINOIS**

**EXCERPTS OF FISCAL YEAR 2013 AUDITED FINANCIAL STATEMENTS
RELATING TO THE VILLAGE'S PENSION PLANS**

VILLAGE OF ROMEOVILLE, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS

April 30, 2013

| | |
|--|----------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 423,393 |
| Investments | |
| U.S. Treasury and agency securities | 13,628,711 |
| Municipal bonds | 595,814 |
| Money market mutual funds | 109,077 |
| Equity mutual funds | 19,007,459 |
| Prepaid expenses | 67,101 |
| Total assets | <u>33,740,755</u> |
| LIABILITIES | |
| Accounts payable | 835 |
| Due to other funds | 130,081 |
| Total liabilities | <u>130,916</u> |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS | <u>\$ 33,609,839</u> |

VILLAGE OF ROMEOVILLE, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS

For the Year Ended April 30, 2013

| | |
|--|----------------------|
| ADDITIONS | |
| Contributions | \$ 1,679,988 |
| Employer | 674,669 |
| Employee | |
| Total contributions | <u>2,354,657</u> |
| Investment income | |
| Net appreciation in fair value | 1,890,955 |
| of investments | 765,835 |
| Interest | |
| Total investment income | <u>2,656,790</u> |
| Total additions | <u>5,011,447</u> |
| DEDUCTIONS | |
| Administration | 38,115 |
| Pension benefits and refunds | 1,391,982 |
| Total deductions | <u>1,430,097</u> |
| NET INCREASE | <u>3,581,350</u> |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS | |
| May 1 | <u>30,028,489</u> |
| April 30 | <u>\$ 33,609,839</u> |

L SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Governmental funds are used to account for substantially all of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds restricted, committed or assigned for the acquisition or construction of capital assets (capital projects funds), and the funds restricted, committed or assigned for the servicing of long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statements of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these financial statements, except for interfund services. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

L SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

The Village's financial statements include two pension trust funds:

Police Pension Employees Retirement System

The Village's 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 pension beneficiary elected by the membership and two police employees elected by the membership constitute the pension board. The Village and PPERS participants are obligated to fund all 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 possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund.

Firefighters' Pension Employee Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension System (FPERS). The FPERS functions for the benefit of those 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 fire employees constitute the pension board. The Village and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. The FPERS is reported as a pension trust fund because of the Village's fiduciary responsibility.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental, proprietary, and fiduciary.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The services which are administered by the Village and accounted for in the General Fund include general government, public works, culture and recreation, and public safety.

The Recreation Fund accounts for the resources that are legally restricted for recreation purposes.

The Facility Construction Fund accounts for the cost construction of new facilities in the Village including the new Village Hall.

The Village reports the following major proprietary fund:

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

The Village reports the following fiduciary funds:

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and the Firefighters' Pension Fund.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third party custodian and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village limits its exposure by limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); limiting investment in securities that have higher credit risks; investing in securities with varying maturities; and continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPS) or money market funds to ensure that proper liquidity is maintained in order to meet ongoing obligations.

b. Police Pension Fund Deposits and Investments

The Police Pension Fund's investment policy authorizes the Police Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

It is the policy of the Police Pension Fund to invest its funds with care, skill, prudence, and diligence, using the "prudent person" standard for managing the overall portfolio.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Fund Deposits and Investments (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension Fund's investment policy does not specifically address custodial credit risk.

Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2013:

| Investment Type | Fair Value | Investment Maturities in Years | | | |
|-----------------------|---------------|--------------------------------|------|------|-----------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. agencies - FNMA | \$ 3,078,483 | \$ - | \$ - | \$ - | \$ 3,078,483 |
| U.S. agencies - FHLMC | 306,799 | - | - | - | 306,799 |
| U.S. agencies - GNMA | 7,027,016 | - | - | - | 7,027,016 |
| TOTAL | \$ 10,412,298 | \$ - | \$ - | \$ - | \$ 10,412,298 |

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Police Pension Fund's investment policy does not specifically address interest rate risk. The Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Police Pension Fund 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 Police Pension Fund's investment policy does not specifically address credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Police Pension Fund investment policy does not specifically address custodial credit risk.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Fund Deposits and Investments (Continued)

Investments (Continued)

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of its investments invested in one type of investment. The Police Pension Fund's investment policy does not specifically address concentration of credit risk.

c. Firefighters' Pension Fund Deposits and Investments

The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, separate accounts that are managed by life insurance companies, mutual funds, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

It is the policy of the Firefighters' Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Firefighters' Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and return on investment.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Firefighters' Pension Fund's deposits may not be returned to it. The Firefighters' Pension Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Fund Deposits and Investments (Continued)

Investments (Continued)

Concentration of credit risk is the risk that the Firefighters' Pension Fund has a high percentage of its investments invested in one type of investment. The Firefighters' Pension Fund's investment policy does not restrict the amount of investments in any one issuer. The investment policy requires diversification of investment to avoid unreasonable risk as follows:

- U.S. Treasury Bills/Notes/Bonds - a range from 0% to 100%
- U.S. Government Agency Securities (non MBS) - a range from 0% to 70%
- U.S. Government Agency Securities (callable) - a range from 0% to 30%
- U.S. Government Agency Securities (MBS) - a range from 0% to 10%
- Taxable Municipal Securities - a range from 0% to 20%
- Certificate of Deposit - a range from 0% to 20%
- Investment Grade Corporate Bonds - a range from 0% to 30%

The investment policy limits the amount of equity investments to the amount of total assets invested. Equity investments shall not exceed 45% of the total market value. The Firefighters' Pension Fund's investment policy requires diversification of equity investments as follows

- U.S. Large Company Stock - a range from 40% to 100%
- U.S. Small Company Stock - a range from 0% to 40%
- International Stocks - a range from 0% to 20%

3. RECEIVABLES

a. Property Taxes

Property taxes for 2012 attach as an enforceable lien on January 1, 2012, 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 issued on about May 1, 2013, and are payable in two installments, on or about June 1, 2013 and September 1, 2013. Tax Increment Financing (TIF) property tax receipts are received in two installments similar to levied taxes described above. TIF property taxes are not levied, but are paid by the County from incremental property tax receipts of all taxing bodies within a TIF District. The County collects such taxes and remits them periodically. As the 2012 tax levy is intended to fund expenditures for the 2013-2014 fiscal year, these taxes are deferred as of April 30, 2013.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Fund Deposits and Investments (Continued)

Investments

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of April 30, 2013:

| Investment Type | Fair Value | Investment Maturities in Years | | | |
|-----------------------|--------------|--------------------------------|--------------|--------------|-----------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. Treasury notes | \$ 710,229 | \$ - | \$ 311,513 | \$ 398,716 | \$ - |
| Municipal bonds | \$ 505,014 | \$ 40,462 | \$ 61,312 | \$ 403,240 | \$ - |
| U.S. agencies - FPCB | \$ 746,648 | \$ - | \$ 177,475 | \$ 569,173 | \$ - |
| U.S. agencies - FHLM | \$ 1,332,245 | \$ 15,630 | \$ 534,013 | \$ 782,602 | \$ - |
| U.S. agencies - FHLMC | \$ 399,447 | \$ 25,984 | \$ 151,433 | \$ 222,030 | \$ - |
| U.S. agencies - FNMA | \$ 24,184 | \$ - | \$ - | \$ - | \$ - |
| U.S. agencies - GNMA | \$ 3,660 | \$ - | \$ - | \$ 3,242 | \$ 408 |
| TOTAL | \$ 3,721,427 | \$ 106,260 | \$ 1,235,746 | \$ 2,379,013 | \$ 408 |

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market. The Firefighters' Pension Fund investment policy requires that the average maturity and duration of the portfolio be maintained at approximately five years and range from two to seven years.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Firefighters' Pension Fund 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 Firefighters' Pension Fund investment policy does not specially address credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Firefighters' Pension Fund limits its exposure to custodial risk by utilizing an independent, third party institution, to act as custodian for its securities.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's governmental and business-type activities.

b. Benefits Provided

The Village provides pre and post-Medicare postretirement health insurance to retirees, their spouses, and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

c. Membership

At April 30, 2012, the most recent information available, membership consisted of:

| | |
|--|------------|
| Retirees and beneficiaries currently receiving benefits | 20 |
| Terminated employees entitled to benefits but not yet receiving them | |
| Active employees | 216 |
| TOTAL | 236 |
| Participating employers | |
| Funding Policy | 1 |

The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the Plan until retirement.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2013 was as follows:

| Fiscal Year Ended | Annual OPEB Cost | Employer Contributions | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-------------------|------------------|------------------------|--|---------------------|
| April 30, 2011 | \$ 85,850 | \$ 146,850 | 171.05% | \$ (79,715) |
| April 30, 2012 | 85,630 | 146,850 | 171.49% | (140,935) |
| April 30, 2013 | 131,334 | 146,850 | 111.81% | (156,451) |

The net OPEB obligation as of April 30, 2013 was calculated as follows:

| | |
|---|---------------------|
| Annual required contribution | \$ 132,273 |
| Interest on net OPEB obligation (asset) | (5,637) |
| Adjustment to annual required contribution | 4,698 |
| Annual OPEB cost | 131,334 |
| Contributions made | 146,850 |
| Increase in net OPEB obligation (asset) | (15,516) |
| Net OPEB obligation (asset), beginning of year | (140,935) |
| NET OPEB OBLIGATION (ASSET), END OF YEAR | \$ (156,451) |

Funded Status and Funding Progress: The funded status and funding progress of the Plan as of April 30, 2012 was as follows:

| | |
|---|---------------|
| Actuarial accrued liability (AAL) | \$ 1,964,941 |
| Actuarial value of plan assets | - |
| Unfunded actuarial accrued liability (UAAL) | 1,964,941 |
| Funded ratio (actuarial value of plan assets/AAL) | 0% |
| Covered payroll (active plan members) | \$ 16,095,846 |
| UAAL as a percentage of covered payroll | 12.21% |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Annual OPEB Costs and Net OPEB Obligation (Continued)

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

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

In the April 30, 2012 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 4.0% and an initial healthcare cost trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2012 was 30 years.

11. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police or Firefighters' 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. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contributions for the calendar year ended December 31, 2012 was 11.67% of covered payroll.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by ILCS (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

At April 30, 2012, most recent information available, the Police Pension Plan membership consisted of:

| | |
|--|-----------|
| Retirees and beneficiaries currently receiving benefits | 21 |
| Terminated employees entitled to benefits but not yet receiving them | - |
| Current employees | 42 |
| Vested | 21 |
| Nonvested | - |
| TOTAL | 84 |

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired as a police officer prior to January 1, 2011) attaining the age of 30 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% 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 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten 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 officers' salary for pension purposes is capped at \$106,800, plus the lesser of 1/2 of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% 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 3.00% or 1/2 of the change in the Consumer Price Index for the preceding calendar year.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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 Police Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2012, the Village's contribution was 25.78% of covered payroll.

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by ILCS (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund. At April 30, 2012, most recent information available, the Firefighters' Pension Plan membership consisted of:

| | |
|--|-----------|
| Retirees and beneficiaries currently receiving benefits | - |
| Terminated employees entitled to benefits but not yet receiving them | - |
| Current employees | 6 |
| Vested | 16 |
| Nonvested | - |
| TOTAL | 22 |

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 30 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten 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 covered employee 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 3.00% of the original pension and 3.00% compounded annually thereafter.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters salary for pension purposes is capped at \$106,800, plus the lesser of 1/2 of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter 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 3.00% or 1/2 of the change in the Consumer Price Index for the preceding calendar year.

Covered employees are required to contribute 9.455% of their basic salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan. For the year ended April 30, 2012, the Village's contribution was 19.70% of covered payroll.

b. 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 when due. Benefits and refunds are recognized when due and payable.

Method Used to Value Investments

Investments are reported at fair value. Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed income securities are recognized on the transaction date.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Administrative Costs

Administrative costs for the Police and Firefighters' Pension Plans are financed primarily through investment earnings.

c. Significant Investments

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.00% or more of plan net position for either the Police or the Firefighters' Pension Plans. Information for IMRF is not available.

d. Annual Pension Costs

Employer contributions have been determined as follows:

| | December 31, 2010 | April 30, 2012 | April 30, 2012 |
|--|--|--|--|
| | Illinois Municipal Retirement | Police Pension | Firefighters' Pension |
| Actuarial valuation date | December 31, 2010 | April 30, 2012 | April 30, 2012 |
| Actuarial cost method | Entry-age Normal | Entry-age Normal | Entry-age Normal |
| Amortization method | Level Percentage of Projected Payroll - Open Basis | Level Percentage of Projected Payroll - Closed Basis | Level Percentage of Projected Payroll - Closed Basis |
| Amortization period | 30 Years | 29 Years | 29 Years |
| Significant actuarial assumptions | | | |
| a) Rate of return on present and future assets | 7.50% Compounded Annually | 7.00% Compounded Annually | 7.00% Compounded Annually |
| b) Projected salary increase - attributable to inflation | 4.00% Compounded Annually | 5.50% Compounded Annually | 5.50% Compounded Annually |
| c) Additional projected salary increases - seniority/merit | 40% to 10.00% | Not Available | Not Available |
| d) Postretirement benefit increases | 3.00% | 3.00% Compounded Annually | 3.00% Compounded Annually |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

d. Annual Pension Costs (Continued)

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

| | | Illinois Municipal Retirement | Police Pension | Firefighters' Pension |
|-------------------------------|------|-------------------------------------|-------------------|--------------------------|
| Annual pension cost (APC) | 2011 | \$ 1,062,441 | \$ 1,564,713 | \$ 329,719 |
| | 2012 | 1,126,969 | 1,594,965 | 319,898 |
| | 2013 | 1,248,978 | 1,405,662 | 319,097 |
| Actual contributions | 2011 | \$ 1,062,441 | \$ 1,538,004 | \$ 326,594 |
| | 2012 | 1,126,969 | 1,555,002 | 316,004 |
| | 2013 | 1,248,978 | 1,365,554 | 314,433 |
| Percentage of APC contributed | 2011 | 100.00% | 98.29% | 99.05% |
| | 2012 | 100.00% | 97.49% | 98.78% |
| | 2013 | 100.00% | 97.15% | 98.54% |
| NPO (asset) | 2011 | \$ - | \$ 1,430,162 | \$ 164,593 |
| | 2012 | - | 1,470,125 | 168,487 |
| | 2013 | - | 1,510,233 | 173,151 |

The NPO (asset) as of April 30, 2013 has been calculated as follows:

| | Police Pension | Firefighters' Pension |
|--|-------------------|--------------------------|
| Annual required contributions | \$ 1,364,969 | \$ 314,433 |
| Interest on net pension obligation | 102,909 | 11,794 |
| Adjustment to annual required contribution | (62,216) | (7,130) |
| Annual pension cost | 1,405,662 | 319,097 |
| Contributions made | 1,365,554 | 314,433 |
| Increase in net pension obligation | 40,108 | 4,664 |
| Net pension obligation, beginning of year | 1,470,125 | 168,487 |
| NET PENSION OBLIGATION, END OF YEAR | \$ 1,510,233 | \$ 173,151 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Funded Status and Funding Progress

The funded status and funding progress of the plans as of December 31, 2012 (IMRF) and April 30, 2012, for the police and firefighters' pension were as follows:

| | Illinois Municipal Retirement | Police Pension | Firefighters' Pension |
|---|-------------------------------------|-------------------|--------------------------|
| Actuarial valuation date | December 31, 2012 | April 30, 2012 | April 30, 2012 |
| Actuarial accrued liability (AAL) | \$ 24,849,115 | \$ 39,747,179 | \$ 5,285,641 |
| Actuarial value of plan assets | 18,417,359 | 25,050,194 | 4,978,597 |
| Unfunded actuarial accrued liability (UAAL) | 6,431,756 | 14,696,985 | 311,044 |
| Funded ratio (actuarial value of plan assets/AAL) | 74.12% | 63.02% | 94.12% |
| Covered payroll (active plan members) | \$ 10,128,194 | \$ 5,296,414 | \$ 1,594,726 |
| UAAL as a percentage of covered payroll | 63.50% | 277.49% | 19.49% |

The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans as disclosed in Note 11d.

The schedule of funding progress, presented in the RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

12. PENSION TRUST FUNDS

a. Schedule of Net Position as of April 30, 2013

| | Police Pension | Firefighters' Pension | Total |
|--|-------------------|--------------------------|------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 423,393 | \$ - | \$ 423,393 |
| Investments | | | |
| U.S. Government and agency obligations | 10,412,298 | 3,216,413 | 13,628,711 |
| Municipal bonds | - | 505,014 | 505,014 |
| Equity mutual funds | 16,976,017 | 2,031,442 | 19,007,459 |
| Money market mutual funds | 97,592 | 11,485 | 109,077 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. PENSION TRUST FUNDS (Continued)

a. Schedule of Net Position as of April 30, 2013 (Continued)

| ASSETS (Continued) | Police Pension | Firefighters' Pension | Total |
|--------------------|-------------------|--------------------------|---------------|
| Receivables | \$ 35,176 | \$ 31,925 | \$ 67,101 |
| Accrued interest | 27,944,476 | 5,796,279 | 33,740,755 |
| Total assets | | | |
| LIABILITIES | | | |
| Accounts payable | 835 | 835 | 835 |
| Due in Village | 83,259 | 46,822 | 130,081 |
| Total liabilities | 83,259 | 47,657 | 130,916 |
| NET POSITION | \$ 27,861,217 | \$ 5,748,622 | \$ 33,609,839 |

b. Schedule of Changes in Net Position for the year ended April 30, 2013

| | Police Pension | Firefighters' Pension | Total |
|---|-------------------|--------------------------|--------------|
| ADDITIONS | | | |
| Contributions | | | |
| Employer | \$ 1,365,535 | \$ 314,433 | \$ 1,679,968 |
| Employee | 536,615 | 138,054 | 674,669 |
| Total contributions | 1,902,170 | 452,487 | 2,354,657 |
| Investment income | | | |
| Net appreciation in fair value of investments | 1,618,406 | 272,549 | 1,890,955 |
| Interest | 635,094 | 110,741 | 765,835 |
| Total investment income | 2,273,500 | 383,290 | 2,656,790 |
| Total additions | 4,175,670 | 835,777 | 5,011,447 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. PENSION TRUST FUNDS (Continued)

b. Schedule of Changes in Net Position for the year ended April 30, 2013 (Continued)

| | Police Pension | Firefighters' Pension | Total |
|---|-------------------|--------------------------|---------------|
| DEDUCTIONS | | | |
| Administrative | \$ 8,386 | \$ 29,729 | \$ 38,115 |
| Pension benefits and refunds | 1,355,958 | 36,024 | 1,391,982 |
| Total deductions | 1,364,344 | 65,753 | 1,430,097 |
| NET INCREASE | 2,811,326 | 770,024 | 3,581,350 |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS | | | |
| May 1 | 25,049,891 | 4,978,598 | 30,028,489 |
| April 30 | \$ 27,861,217 | \$ 5,748,622 | \$ 33,609,839 |

13. PRIOR PERIOD ADJUSTMENT

The beginning net position of governmental activities was restated by \$(1,970,000) and beginning net position of business-type activities and the Water and Sewer Fund were restated by \$(198,193). Beginning net position was restated to expense unamortized bond issuance costs in accordance with GASB Statement No. 65.

14. SUBSEQUENT EVENTS

Subsequent to fiscal year end, the Village issued \$12,870,000 of General Obligation Bonds, Series 2013A.

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2013

| Actuarial Valuation Date | (1) Actuarial Value of Assets | (2) Actuarial Liability (AAL) Entry-Age | (3) Funded Ratio (1)/(2) | (4) Unfunded AAL (UAAAL) (2)-(1) | (5) Covered Payroll | UAAAL as a Percentage of Covered Payroll (4)/(5) |
|--------------------------------|--|---|-----------------------------------|--|---------------------------|---|
| December 31, | | | | | | |
| 2007 | \$ 14,533,936 | \$ 16,954,438 | 85.72% | \$ 2,420,502 | \$ 8,723,099 | 27.75% |
| 2008 | 14,336,552 | 19,076,604 | 75.15% | 4,740,052 | 9,343,761 | 50.73% |
| 2009 | 15,323,154 | 20,654,969 | 74.28% | 5,331,815 | 9,680,397 | 54.87% |
| 2010 | 15,574,641 | 21,536,363 | 72.32% | 5,961,722 | 9,627,375 | 61.92% |
| 2011 | 16,136,534 | 22,843,276 | 70.64% | 6,706,742 | 9,786,537 | 68.53% |
| 2012 | 18,417,259 | 24,849,115 | 74.12% | 6,431,756 | 10,128,194 | 63.50% |

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND

April 30, 2013

| Actuarial Valuation Date | (1) Actuarial Value of Assets | (2) Actuarial Liability (AAL) Entry-Age | (3) Funded Ratio (1)/(2) | (4) Unfunded AAL (UAAAL) (2)-(1) | (5) Covered Payroll | UAAAL as a Percentage of Covered Payroll (4)/(5) |
|--------------------------------|--|---|-----------------------------------|--|---------------------------|---|
| April 30, | | | | | | |
| 2007 | \$ 16,376,667 | \$ 23,626,834 | 69.30% | \$ 9,250,167 | \$ 4,420,203 | 209.37% |
| 2008 | 17,480,366 | 24,304,804 | 61.76% | 10,824,438 | 4,495,763 | 240.77% |
| 2009 | 16,331,506 | 30,631,806 | 53.32% | 14,300,300 | 5,125,809 | 278.99% |
| 2010 | 20,404,694 | 34,458,323 | 59.22% | 14,053,629 | 5,256,962 | 267.33% |
| 2011 | 23,549,260 | 36,970,648 | 63.70% | 13,421,388 | 5,070,922 | 264.67% |
| 2012 | 25,050,194 | 39,747,179 | 63.02% | 14,696,985 | 5,296,414 | 277.49% |

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF FUNDING PROGRESS
FIREFIGHTERS' PENSION FUND

April 30, 2013

| Actuarial Valuation Date April 30, | (1) Actuarial Value of Assets | (2) Actuarial Liability (AAL) Entry-Age | (3) Funded Ratio (1)/(2) | (4) Unfunded AAL (UAAAL) (2)-(1) | (5) Covered Payroll | UAAAL as a Percentage of Covered Payroll (4)/(5) |
|------------------------------------|----------------------------------|--|-----------------------------|-------------------------------------|------------------------|--|
| 2007 | \$ 1,791,307 | \$ 2,871,649 | 62.38% | \$ 1,080,342 | \$ 1,004,593 | 107.54% |
| 2008 | 2,215,720 | 3,253,029 | 68.11% | 1,037,309 | 1,167,102 | 88.88% |
| 2009 | 2,697,822 | 3,784,486 | 71.29% | 1,086,664 | 1,216,426 | 89.33% |
| 2010 | 3,496,565 | 4,239,764 | 82.48% | 743,199 | 1,244,570 | 59.68% |
| 2011 | 4,264,045 | 4,667,866 | 91.35% | 403,821 | 1,344,527 | 30.03% |
| 2012 | 4,978,597 | 5,289,641 | 94.12% | 311,044 | 1,595,726 | 19.49% |

N/A - actuarial valuation not performed.

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. Information for prior years is not available.

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2013

| Actuarial Valuation Date April 30, | (1) Actuarial Value of Assets | (2) Actuarial Liability (AAL) Entry-Age | (3) Funded Ratio (1)/(2) | (4) Unfunded AAL (UAAAL) (2)-(1) | (5) Covered Payroll | UAAAL as a Percentage of Covered Payroll (4)/(5) |
|------------------------------------|----------------------------------|--|-----------------------------|-------------------------------------|------------------------|--|
| 2009 | \$ - | \$ 735,666 | 0.00% | \$ 735,666 | \$ 15,736,193 | 4.67% |
| 2010 | - | 1,392,531 | 0.00% | 1,392,531 | 15,078,910 | 9.23% |
| 2011 | N/A | N/A | N/A | N/A | N/A | N/A |
| 2012 | - | 1,964,941 | 0.00% | 1,964,941 | 16,095,846 | 12.21% |
| 2013 | N/A | N/A | N/A | N/A | N/A | N/A |

N/A - actuarial valuation not performed.

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. Information for prior years is not available.

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

April 30, 2013

| Fiscal Year | Employer Contributions | Annual Required Contribution (ARC) | Percentage Contributed |
|-------------|------------------------|------------------------------------|------------------------|
| 2008 | \$ 1,026,033 | \$ 1,026,752 | 99.93% |
| 2009 | 1,121,530 | 1,126,814 | 99.54% |
| 2010 | 1,247,460 | 1,437,794 | 86.76% |
| 2011 | 1,438,004 | 1,538,440 | 99.97% |
| 2012 | 1,555,002 | 1,553,747 | 100.08% |
| 2013 | 1,365,554 | 1,364,969 | 100.04% |

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2013

| Fiscal Year | Employer Contributions | Annual Required Contribution (ARC) | Percentage Contributed |
|-------------|------------------------|------------------------------------|------------------------|
| 2008 | \$ 837,417 | \$ 837,417 | 100.00% |
| 2009 | 868,035 | 868,035 | 100.00% |
| 2010 | 968,040 | 968,040 | 100.00% |
| 2011 | 1,062,441 | 1,062,441 | 100.00% |
| 2012 | 1,126,969 | 1,126,969 | 100.00% |
| 2013 | 1,248,978 | 1,248,978 | 100.00% |

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

April 30, 2013

| Fiscal Year | Employer Contributions | Annual Required Contribution (ARC) | Percentage Contributed |
|-------------|------------------------|------------------------------------|------------------------|
| 2008 | \$ 185,159 | \$ 184,642 | 100.28% |
| 2009 | 276,777 | 276,662 | 100.04% |
| 2010 | 314,480 | 314,341 | 100.04% |
| 2011 | 326,594 | 326,719 | 99.96% |
| 2012 | 316,004 | 315,154 | 100.27% |
| 2013 | 314,433 | 314,433 | 100.00% |

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2013

| Fiscal Year | Employer Contributions | Annual Required Contribution (ARC) | Percentage Contributed |
|-------------|------------------------|------------------------------------|------------------------|
| 2009 | \$ 27,552 | \$ 77,798 | 35.41% |
| 2010 | 146,850 | 77,051 | 190.59% |
| 2011 | 146,850 | 86,162 | 170.43% |
| 2012 | 146,850 | 86,162 | 170.43% |
| 2013 | 146,850 | 132,273 | 111.02% |

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009.
Information for prior years is not available.

Village of Romeoville, Will County, Illinois

\$9,195,000 General Obligation Refunding Bonds, Series 2014

Final

Debt Service Schedule

| Date | Principal | Coupon | Interest | Total P+I |
|--------------|-----------------------|----------|-----------------------|------------------------|
| 12/30/2014 | - | - | - | - |
| 12/30/2015 | 1,010,000.00 | 3.000% | 334,179.17 | 1,344,179.17 |
| 12/30/2016 | 2,210,000.00 | 3.000% | 258,200.00 | 2,468,200.00 |
| 12/30/2017 | 2,220,000.00 | 3.000% | 191,900.00 | 2,411,900.00 |
| 12/30/2018 | 1,345,000.00 | 3.000% | 125,300.00 | 1,470,300.00 |
| 12/30/2019 | 370,000.00 | 3.000% | 84,950.00 | 454,950.00 |
| 12/30/2020 | 380,000.00 | 3.000% | 73,850.00 | 453,850.00 |
| 12/30/2021 | 395,000.00 | 3.000% | 62,450.00 | 457,450.00 |
| 12/30/2022 | 405,000.00 | 4.000% | 50,600.00 | 455,600.00 |
| 12/30/2023 | 420,000.00 | 4.000% | 34,400.00 | 454,400.00 |
| 12/30/2024 | 440,000.00 | 4.000% | 17,600.00 | 457,600.00 |
| Total | \$9,195,000.00 | - | \$1,233,429.17 | \$10,428,429.17 |

Yield Statistics

| | |
|-----------------------------------|-------------|
| Bond Year Dollars | \$37,240.88 |
| Average Life | 4.050 Years |
| Average Coupon | 3.3120306% |
| Net Interest Cost (NIC) | 1.5303022% |
| True Interest Cost (TIC) | 1.4426495% |
| Bond Yield for Arbitrage Purposes | 1.3708592% |
| All Inclusive Cost (AIC) | 1.7036873% |

IRS Form 8038

| | |
|---------------------------|-------------|
| Net Interest Cost | 1.3298639% |
| Weighted Average Maturity | 4.128 Years |



Village of
Romeoville
Where Community Matters

Village of Romeoville Romeoville, Illinois

Comprehensive Annual Financial Report for the Fiscal Year Ended April 30, 2015



VILLAGE OF ROMEOVILLE, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2015

Prepared by: Finance Department

VILLAGE OF ROMEOVILLE, ILLINOIS
TABLE OF CONTENTS

| | <u>Page(s)</u> |
|--|----------------|
| INTRODUCTORY SECTION | |
| Principal Officials | i |
| Organization Chart | ii |
| Certificate of Achievement for Excellence in Financial Reporting | iii |
| Letter of Transmittal | iv-xii |
| FINANCIAL SECTION | |
| INDEPENDENT AUDITOR'S REPORT | 1-3 |
| GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS | |
| Management's Discussion and Analysis..... | MD&A 1-12 |
| Basic Financial Statements | |
| Government-Wide Financial Statements | |
| Statement of Net Position | 4 |
| Statement of Activities | 5-6 |
| Fund Financial Statements | |
| Governmental Funds | |
| Balance Sheet | 7-8 |
| Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position | 9 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances | 10-11 |
| Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities | 12 |

VILLAGE OF ROMEOVILLE, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Basic Financial Statements (Continued)

Fund Financial Statements (Continued)

Proprietary Fund

| | |
|--|-------|
| Statement of Net Position..... | 13 |
| Statement of Revenues, Expenses, and Changes in Net Position | 14 |
| Statement of Cash Flows..... | 15-16 |

Fiduciary Funds

| | |
|--|----|
| Statement of Fiduciary Net Position | 17 |
| Statement of Changes in Fiduciary Net Position | 18 |

| | |
|-------------------------------------|-------|
| Notes to Financial Statements | 19-66 |
|-------------------------------------|-------|

Required Supplementary Information

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

| | |
|----------------------|----|
| General Fund | 67 |
| Recreation Fund..... | 68 |

Schedule of Funding Progress

| | |
|--|----|
| Illinois Municipal Retirement Fund | 69 |
| Police Pension Fund | 70 |
| Firefighters' Pension Fund | 71 |
| Other Postemployment Benefit Plan | 72 |

Schedule of Employer Contributions

| | |
|--|----|
| Illinois Municipal Retirement Fund | 73 |
| Police Pension Fund | 74 |
| Firefighters' Pension Fund | 75 |
| Other Postemployment Benefit Plan | 76 |

VILLAGE OF ROMEOVILLE, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Required Supplementary Information (Continued)

| | |
|---|----|
| Schedule of Changes in the Employer's Net Pension Liability and Related Ratios | |
| Police Pension Fund | 77 |
| Firefighters' Pension Fund | 78 |
| Schedule of Investment Returns | |
| Police Pension Fund | 79 |
| Firefighters' Pension Fund | 80 |
| Notes to Required Supplementary Information | 81 |

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

| | |
|--|-------|
| General Fund | |
| Schedule of Revenues - Budget and Actual | 82-84 |
| Schedule of Expenditures - Budget and Actual | 85-89 |
| Downtown TIF District Fund | |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 90 |

NONMAJOR GOVERNMENTAL FUNDS

| | |
|---|----|
| Combining Balance Sheet | 91 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances | 92 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Motor Fuel Tax Fund | 93 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Debt Service Fund | 94 |

VILLAGE OF ROMEOVILLE, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES (Continued)**

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Nonmajor Capital Projects Funds

| | |
|--|-------|
| Combining Balance Sheet | 95-96 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances | 97-98 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | |
| Road Improvements Fund | 99 |
| Local Gas Tax Fund | 100 |
| Marquette Center TIF District Fund | 101 |
| 2002A Construction Fund | 102 |
| Romeo Road TIF District Fund | 103 |

MAJOR ENTERPRISE FUND

| | |
|--|---------|
| Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual | |
| Water and Sewer Fund | 104-105 |

FIDUCIARY FUNDS

| | |
|---|-----|
| Combining Statement of Fiduciary Net Position | 106 |
| Combining Statement of Changes in Fiduciary Net Position | 107 |

SUPPLEMENTAL DATA

| | |
|---|---------|
| Schedule of Debt Service Requirements | 108-113 |
|---|---------|

STATISTICAL SECTION

Financial Trends

| | |
|--|---------|
| Net Position by Component | 114-115 |
| Change in Net Position | 116-119 |
| Fund Balances of Governmental Funds | 120-121 |
| Changes in Fund Balances of Governmental Funds | 122-123 |

VILLAGE OF ROMEOVILLE, ILLINOIS
TABLE OF CONTENTS (Continued)

| | <u>Page(s)</u> |
|---|----------------|
| STATISTICAL SECTION (Continued) | |
| Revenue Capacity | |
| Assessed Value and Actual Value of Taxable Property | 124 |
| Schedule of Property Tax Rates - Direct and Overlapping Governments | 125 |
| Principal Property Taxpayers | 126 |
| Schedule of Property Tax Levies and Collections..... | 127 |
| Debt Capacity | |
| Ratios of Outstanding Debt by Type..... | 128 |
| Ratios of General Bonded Debt Outstanding | 129 |
| Schedule of Direct and Overlapping Bonded Debt | 130 |
| Schedule of Legal Debt Margin | 131 |
| Demographic and Economic Information | |
| Demographic and Economic Indicators..... | 132 |
| Principal Employers | 133 |
| Operating Information | |
| Full-Time Equivalent Employees by Function | 134-135 |
| Operating Indicators | 136-137 |
| Capital Asset Statistics | 138 |

INTRODUCTORY SECTION

VILLAGE OF ROMEOVILLE, ILLINOIS

LIST OF PRINCIPAL OFFICIALS

April 30, 2015

ELECTED OFFICIALS

John D. Noak, Mayor

Dr. Bernice E. Holloway, Village Clerk

Jose (Joe) Chavez, Trustee

Brian Clancy, Sr., Trustee

Ken Griffen, Trustee

Sue A. Micklevitz, Trustee

Linda Palmiter, Trustee

Dave Richards, Trustee

ADMINISTRATION

Steve Gulden, Village Manager

Kent Adams, Fire Chief

Eric Bjork, Public Works Director

Dawn Caldwell, Assistant Village Manager

Kirk Openchowski, Finance Director

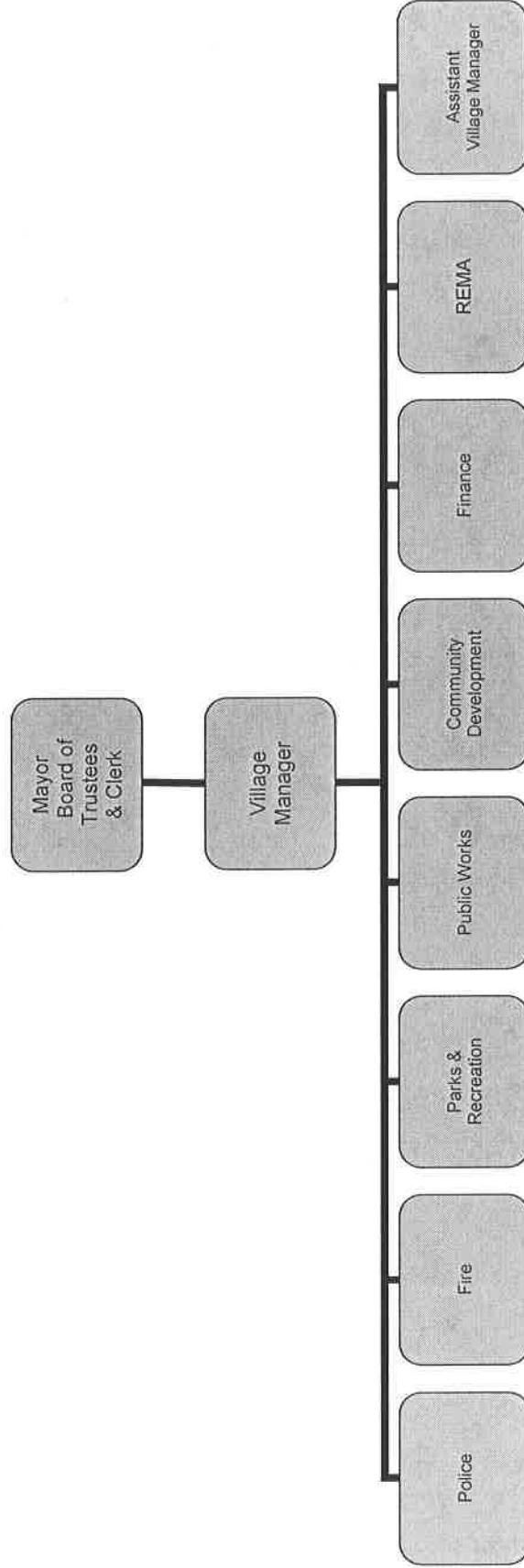
Kelly Rajzer, Director of Parks and Recreation

Steve Rockwell, Community Development Director

Mark Turvey, Chief of Police

**VILLAGE OF ROMEOVILLE, ILLINOIS
VILLAGE - WIDE**

ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**Village of Romeoville
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2014

Executive Director/CEO

Village of Romeoville

Where Community Matters

Mayor

John Noak

Clerk

Dr. Bernice E. Holloway

Trustees

Linda S. Palmiter

Jose (Joe) Chavez

Brian A. Clancy Sr.

Dave Richards

Sue A. Micklevitz

Ken Griffin

Village Manager

Steve Gulden

October 30, 2015

To the Village President and Members of the Board of Trustees of the Village of Romeoville

The Comprehensive Annual Financial Report (CAFR) of the Village of Romeoville for the fiscal year ended April 30, 2015, is hereby submitted as required by the Illinois Compiled statutes. State law requires that the Village annually issue a complete set of audited financial statements. The statements must be presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants. This CAFR is published to fulfill these requirements for the fiscal year ended April 30, 2015.

The report consists of management's representations concerning the finances of the Village of Romeoville. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village are free of material misstatement. Sikich LLP has issued an unmodified ("clean") opinion on the Village of Romeoville's financial statements for the year ended April 30, 2015 and as such are fairly presented in conformity with GAAP. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it. GAAP requires that management provide the MD&A as a narrative introduction, overview and analysis of the basic financial statements.

Profile of the Village of Romeoville

The Village of Romeoville, incorporated in 1895, is located in Will County and is approximately 26 miles southwest of Chicago. It currently encompasses 18 square miles and is bordered by the Village of Bolingbrook to the north, unincorporated Will County to the west, south and east, the City of Lockport to the southeast and the City of Crest Hill to the South. The Village serves a population of approximately 40,000 residents. It is a home rule community as defined by the Illinois Constitution.

The Village of Romeoville is empowered to levy a property tax on real property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The Village has a President and Board of Trustees and has a Village form of government. The Village Board is composed of the Village President and six trustees who are elected at large on a non-partisan basis for staggered four year terms. The Village has an elected Clerk who is elected to a four year term at the same time as the Village President.

Policy making and legislative authority are vested in the Village Board. The Village Board is responsible for, among other things, passing ordinances and resolutions pertaining to and authorizing the wide scope of Village activities and operations, adopting the budget, appointing members to Boards and Commissions and appointing the Village Manager. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board and for overseeing the day-to-day operations of the Village.

The Village of Romeoville provides a full range of services, including police and fire protection; refuse collection; snow and leaf removal; traffic control; on-and off-street parking; building inspections; community development; code enforcement; community relation services; licenses and permits; the construction and maintenance of roads, bridges, storm water systems and other infrastructure; recreational and cultural activities including parks; and general administrative services. In addition to the Village's general government activities the Village provides water and sewer services.

The Village has excellent schools, a wide variety of post high school education opportunities within the Village including those provided by Lewis University, Joliet Junior College and Rasmussen College, a diverse housing stock, easy access to major highways and public transportation and is home to the Lewis University Airport.

The Village is required to adopt an initial budget for the fiscal year no later than the April 30th preceding the beginning of the fiscal year on May 1st. This annual budget serves as the foundation for the Village of Romeoville's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police).

Economic Factors

The Village became a Home Rule community in February of 2004. Home Rule communities are not subject to the state imposed property tax cap which limits property tax increases, excluding new development and newly annexed property, to the lesser of 5% or the CPI. Home Rule communities have no legal debt limit, can implement additional revenue sources not available to non Home Rule communities and can implement regulations not available to non Home Rule communities. Under Illinois State Statutes a Village or City automatically qualifies as a Home Rule community when the population exceeds 25,000.

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Romeoville during fiscal year 2015 and is expected to continue through fiscal year 2016. Grant assistance is extremely competitive and previously reliable state shared revenues (especially the income tax and use tax), which had been trending upward, will be reduced on a per capita basis going forward due to the economic downturn. The Village will need to look internally and consider increasing other revenue sources and/or reduce expenditures until these larger governments get their finances in order. However, as the economy continues to improve the downward trends are slowing and may reverse course.

The Village implemented a 1% Food and Beverage tax, which was then further increased in FY 14-15, and increased the Home Rule sales tax of 1% to 1.5% in the fall of 2009. The new rates went into effect January 1st, 2010. The sales tax increase now generates \$1.7 million on an annual basis while the Food and Beverage Tax now generates \$1.2 million on an annual basis. The taxes were implemented to ensure the Village did not have a large General Corporate Fund shortfall for FY 2009-10, and help to balance the future General Corporate Fund budgets.

Even with the additional funds from these sources the Village's 2011-12 budget was only \$1 million more than FY 2010-11 (\$41 million versus \$40 million). The FY 12-13 General Corporate Fund budget did increase to the \$43 million level.

The FY 13-14 was at the \$46 million level and included use of \$1 million in fund balance, which was not needed. The FY 14-15 and FY 15-16 Budgets increased to \$47 million. The FY 16-17 budget is anticipated to be at the \$49 million level and may utilize fund balance.

The Village adjusted a number of taxes, fees and fines in FY 10-11. The Motor Fuel Tax rate was increased from 4 cents to 5 cents per gallon, the natural gas use tax from 2.5 cents per therm to 3.5 cents, vehicle impound fees were increased from \$300 to \$400, various Police tickets were all increased to \$30.00 which had ranged \$10.00 to \$25.00 previously, business licenses and liquor license fees were increased across all classes, and the Village implemented a Real Estate Transfer Tax Service Fee of \$40.00 for tax exempt transactions. The increases generate an additional \$425,000 a year in General Corporate Fund revenues. The Village did not adjust any fee for FY 11-12 and FY12-13. Late during FY 13-14 the Village increased the Hotel Tax rate from 6% to 9% and in FY 14-15 increased the Food and Beverage tax to 1.25% for the non-alcohol portion of the tax and 3% for the alcohol portion. The increased rates generated an additional \$650,000 per year (\$520,000 Food and Beverage and \$130,000 Hotel Tax). No taxes and fees were adjusted as part of the FY 15-16 budget. However the local gas tax rate on diesel fuel was increased from 5 cents to 7 cents mid-year. Local tax rates and fees will be reviewed as part of the FY 16-17 budget and proposed increases and/or new fees may be presented to the Village Board.

The Village implemented an annual 5% increases in the water and sewer rates. The rate increases are reviewed every year as part of the budget process. However, the increases will be needed for several years to ensure the proper levels of services are provided to the residents and the system is maintained in the proper manner. The Village anticipates decreasing the annual 5% rate increase to 3% starting in FY 17-18. However, this will be monitored on a year-to-year basis.

The Village pursued the implementation of a Real Estate Transfer Tax. The tax, by state statute, can only be implemented by Home Rule communities but still must be approved by the voters through the referendum process. The Village was able to successfully pass the referendum during the April 5, 2005 elections. The Real Estate Transfer Tax was implemented in June of 2005 and generated \$1.25 million, which exceeded the estimated referendum amount of \$1,073,000. In fiscal year 2007 the tax generated \$1.7 million. However, that decreased to \$1.5 million for fiscal year 2008, \$0.6 million for 2009, \$0.5 million for 2010 and \$0.4 million in 2011. 2012 saw an increase to \$0.7 million, 2013 dipped to \$0.5 million, 2014 increased to \$0.7 million and in 2015 increased to \$0.9 million. It was anticipated that 2016 will see a decrease to \$0.6 million but preliminary results indicated that the Village will receive \$0.8 million. The poor housing market continues to affect receipts but sale of commercial and industrial properties have produced the bulk of the revenue in recent years. The Village pledged, through the referendum process, to use half the proceeds for recreational projects and open space acquisition and the other half for growth related capital projects and public safety equipment.

Fiscal year 2004 saw the start of a slowdown in residential growth in the Village. The trend continued during the 2014 fiscal year. The Village's housing starts have decreased from the 700 to 1,200 range to the current 5 to 30 range. The Village has no new subdivisions planned; only one active subdivision is having new homes built while two additional subdivisions may see limited activity start in late FY 15-16 or early FY 16-17. Activity could fall to 0 to 5 houses or up to 150 houses depending on what happens with the two additional subdivisions. However, an apartment complex of 292 units will start construction in FY 15-16, open in FY 16-17 and be fully occupied in FY 17-18.

The Village is starting to receive greater funds from growth related revenues including building permits and tap-on fees, but continues to experience small annual increases in areas such as water and sewer usage, and utility tax and recreation department revenues. The Village is seeing an increase in industrial and, to a lesser extent commercial development. The increase in industrial and commercial development does have a positive impact on sales tax, property tax, utility tax, business licenses and water and sewer revenues. However, the downturn in the economy is still having an impact on these growth related revenue streams. There are signs that development activities are starting to increase.

Recent activity has included the Sam's Club opening in October of 2013, opening of a Deals Store in 2014, the opening of a TJ Maxx in 2015, and Ashley Furniture which completed a distribution facility with a retail component that opened in 2015.

Blain's Farm and Fleet anticipates breaking ground on a new store in 2015 opening a new store in 2017. Presence Healthcare, affiliated with St. Joes Hospital, has broken ground on a 26,000 square foot senior healthcare facility that will also include medical services currently not available in the Village such as blood draws for medical testing and MRI's.

Also a large golf course renovation project which includes a new club house is near completion with the course renovations and learning center portions of the project completed in the spring of 2013 and the club house, which started construction in 2014, opening late in 2015. In addition, a couple of industrial spec buildings are being developed, and a couple of large industrial businesses, including Magid Glove and Safety and Peacock Engineering, moved into vacant sites. FY 2014-15 saw a continued return towards more typical level of development while FY 15-16 and FY 16-17 will continue that trend.

The Village, in hope of revitalizing what is now designated as the downtown area, has formed a Tax Increment Finance District (Downtown TIF) to provide a funding mechanism for the needed activities and projects. The revitalization will provide an economic engine on the Village's aging North side. The revitalization is expected to have a long-term positive impact on property taxes, sales taxes, building permits and other revenue sources. The Village has implemented extensive design standards for properties located within the TIF area and wants to improve the existing structures to meet the new standards.

More importantly, the Downtown TIF is expected to improve the quality of life for the residents. The Downtown TIF is anticipated to attract new quality businesses to the area and some new housing in the form of an apartment complex.

The downtown area is generally bounded by Normantown Road on the north, Illinois Route 53 on the east, Alexander Circle on the south and Dalhart Avenue on the west. The area includes what currently is the Spartan Square Shopping Center and the surrounding vacant land and various out lots. The entire Downtown TIF area is approximately 421 acres including the Downtown Area. The Downtown TIF will extend east of the Downtown area to include nearby industrial parks and open space up to and along the Des Plaines River and south along the Route 53 frontage properties to Romeo Road. The Downtown TIF is contiguous to the existing Marquette TIF.

Businesses will include the relocation of the Fat Ricky's restaurant from their current location within the TIF to a new, larger building that will include a 4,000 square foot deli and the construction of a 7,000 square foot strip center that will include a Subway sandwich shop and a relocated Harris Bank. The projects will break ground in late 2015 or early 2016 and be completed in 2016. The new McDonalds recently opened up in the Downtown TIF area across the street from the Edward Hospital Athletic and Event Center. Other projects may include an apartment complex or a hotel along with additional retail. The area also includes a renovated library facility. The library district completed their renovation project in the summer of 2012. TIF incentives have been provided to Fat Ricky's and will be to the developers of the retail center.

The Village, acting as the master developer, has worked with Harbor Construction and the Barr Group, to help refine the Village's downtown vision. Two new restaurants opened in or near the Downtown Area in FY 2010-11 (Mongol McMichael's Texas Barbeque and the Stone City Saloon). TIF incentives were provided to both restaurants.

The Village may spend \$50.0 million in projects throughout the Downtown TIF area with the main focus in the designated downtown area. Projects include the Edward Hospital Athletic and Events Center, Route 53 landscaping islands, infrastructure improvements to storm water systems, improve and realign roadways and property acquisition, assembly, preparation and maintenance. TIF dollars will be used to assist property owners with property rehab, facade improvements, relocation expenses and other incentives.

Incentives have been or will be provided to assist the White Oak Library renovation project (\$270,000), Mickey's Goodyear renovations (\$40,000), Mongo McMichael's Restaurant improvements (\$75,000), Danny Boys site restoration (\$72,605), Stone City Saloon improvements (\$240,000) and Walgreens site improvements (\$350,000), McDonalds (\$100,000), Duke Realty (\$700,000) and the PAL Group/Orange Crush property restoration (\$30,000). Fat Ricky's Restaurant incentives include \$650,000 in cash incentives plus free land, parking lot design and engineering fees, reduced permit fees and landscape construction that could push the total value well over \$1 million.

The Village entered into a naming rights agreement with Edward Hospital in 2015 regarding the Athletic and Event Center. The agreement is for five years with five payments from Edward to the Village of \$100,000. Edward Hospital will also operate a physical therapy center in the center for five years.

The Village issued, in July of 2013, \$15.1 million in bonds to pay for the construction of the Edward Hospital Athletic and Event Center and public improvements in the downtown area.

The bonds are for 12 years and will be paid with TIF funds. The bond issue is a mix of taxable and non-taxable bonds. The taxable portion will pertain to the funding needed for the Edward Hospital Athletic and Event Center (\$12.9 million) while the remaining portion (\$2.2 million) will be used primarily for storm water and road improvements.

The Edward Hospital Athletic and Event center provides the Village a presence in the downtown and serves as an attraction to bring both a daytime and nighttime population to the downtown. The Edward Hospital Athletic and Event Center partially opened in the January of 2014 and fully opened in March of 2014. The Edward Hospital Athletic and Event Center is fulfilling its intend goal to act as an economic engine for the downtown area as it has been in near constant use for many practices, leagues, and hosting of events including several large basketball tournaments featuring youth and high school male and female athletes of interest to various levels of college programs.

The Edward Hospital Athletic and Event center contains space for a performing arts center/stage, indoor turf practice fields, two permanent basketball and volleyball courts, six temporary basketball courts, and community rooms. The Village pursued a Public/Private partnership where the Village builds the facilities and provides the building to a private group to operate the facility. The agreement, which is for 5 years and places much of the financial risk of operating losses with the operator while the Village received limited use of the facility, a low annual rental fee, retain revenue generated for naming rights, a 50/50 split of certain sponsorships, limited revenue sharing for the last three years of the agreement and other minor considerations.

The Downtown TIF allows the Village to capture property tax dollars based upon additional equalized assessed value (EAV) realized above 2003 values and the combined tax rate for all taxing bodies. Property owners in the Downtown TIF will pay the property taxes they would normally pay. The taxing bodies receive property taxes based upon the 2002 EAV of the TIF area and the Village receives the remaining portion of property taxes for the incremental EAV above the 2003 level. The Village has the approval and support from the taxing bodies affected by the Downtown TIF, including the Valley View 365U School District. The Village began to receive TIF funds in the 2006-07 fiscal year. The Downtown TIF may generate an estimated \$4 million in property taxes and interest. An additional \$26 million is anticipated to be imported from the existing Marquette TIF. State statutes allow the villages to import/export TIF Funds between TIF Districts if they are contiguous with each other. The Marquette TIF will be the primary funding source for the Downtown TIF.

The Village has received approval from the state legislature, which required the approval of all the taxing bodies within the TIF to grant approval, to extend the life of the Marquette TIF for 12 years to further support what the Village hopes to accomplish in the Downtown area and forming two new TIF Districts. One of the TIF's would be located along Route 53 and Joliet Road with properties near or adjacent to the Marquette TIF and a TIF along a portion of the Des Plaines River near the City of Lockport border to facilitate the construction of a barge loading station for petroleum products on a small island located in the river.

The Village increased the Marquette TIF tax distribution surplus from 20% to 50% during the remaining life of the original Marquette TIF and 30% for the life of the extended portion which started with the 2013 property tax levy.

The Village also provided the Valley View School District \$1,000,000 in TIF funds for improvements for the RC Hill School and \$250,000 will be provided for Transportation Facility improvements both of which are located in the Downtown TIF. The Village also forgave the school district \$250,000 in a loan, funded through TIF, related to the Transportation Facility.

The Village created a third TIF in fiscal year 2008. The Romeo Road TIF is located on the North East corner of Route 53 and Romeo Road and is 2.5 acres in size. The TIF was created to provide \$350,000 in incentives for Developers to bring a Walgreens to the site. The Walgreens opened in October of 2008. The site was home to a long-time closed Amoco station. The site had a number of environmental and infrastructure challenges and would not be developed without the incentives. The Romeo Road TIF is contiguous to the Downtown TIF. The Village may construct additional turn lane improvements at the Walgreens, which will be funded out of the Romeo Road TIF.

The Village acquired the Spartan Square Shopping Plaza, located within the Downtown TIF, during fiscal year 2008. The Village was in the process of looking at condemnation. Having control of the property provided the Village better flexibility and flow of information in working with potential developers with regards to the property. The Village razed the Spartan Square Plaza in 2013. Some of the vacated tenants, such as Subway, will return to the new retail center. The Village acquired vacant land from Harris Bank during fiscal year 2009, next to the facility located in the downtown area for \$2.2 million. The land may be used for an apartment complex, hotel or additional parking. The Village will acquire, for \$1.2 million, the Harris Bank branch during the FY 15-16 to facilitate the development of that portion of the Downtown TIF area. Harris Bank will open a new branch in the proposed strip center.

The Village also acquired the 9 Rock Road property for \$1.3 million and demolished the main structure with TIF funds in FY 2012-13 and will perform additional site clean-up and improvements in FY 13-14 and FY 14-15. The business located on the site was taken over by the bank. It was a site the Village has coveted because the business was improperly zoned but was grandfathered in when the zoning for the business type changed. The Village, as part of the transaction, had an option to acquire an additional 2.3 acres adjacent to 9 Rock Road for \$170,000. The Village exercised the option in FY 13-14 and completed the transaction in FY 14-15.

The Village needed new facilities to house current and future Village Employees. The Village's Police Department was most in need of additional space. The Village conducted a space needs analysis during the 2006 fiscal year. The Village, spread out over several locations and buildings, operated out of a space of slightly over 32,000 square feet, including the Police Department's 11,400 square feet of space. The space served 180 employees.

The Village issued bonds to pay for the new Village Hall/Police Station and a variety of other projects totaling over \$68 million. The bond portion of the projects cost \$57.8 million. The debt service is not anticipated to be included as part of the property tax levy. The Village plans to use funds generated from Home Rule sales tax and Lockport Fire Protection District agreement to make the debt service payments.

The Village broke ground on a combined Village Hall and Police Station in 2008, which then opened in June of 2010. Previously, Residents had to go to several locations to access Village services. The 118,000 square foot facility combines the services at one location. The Village Hall/Police Station is located on a site immediately west of the Recreation Center on 135th St.

The Village had planned on constructing two new fire stations from the bond proceeds. Fire Station #3, located at Normantown and Birch roads, was completed in October of 2008.

The bond funds for the second Fire Station, a new Fire Station 1, went to fund several other projects as not enough funds were left for the Fire Station construction due to unforeseen costs associated with the Village Hall construction pertaining mainly to an additional \$1 million needed for Public Safety communication infrastructure and systems. The projects included various road and park improvements.

A new Fire Station #1 will be constructed on its current site in FY 15-16 and FY 16-17 for a cost of \$4.3 million. The Village had purchased property in 2009 for \$0.3 million for the Fire Station but will repurpose that property for another use. Funding will come from escrowed property taxes of \$4.3 million pertaining to an Equalized Assessed Value challenge (See below) between the refinery and the taxing bodies.

The Village has experienced decreases in Equalized Assessed Value in 2008, 2009 and 2011 through 2013, with virtually no change (0.42% increase) between 2013 and 2014.

It is anticipated that the EAV will increase 1% to 3% in 2015. There was a large increase in 2010 due to a successful challenge, at the county level, of the Citgo Refinery EAV by a local school district. If not for the Citgo EAV adjustment the Village's EAV would have decreased for 2010 as well. The Citgo EAV increase in the Village was \$85 million and generates \$1.2 million in property tax for the Village.

Citgo was challenging the EAV increase and if they were successful with the challenge, the Village would have to repay the taxes. The case was not scheduled to be reviewed by the State Property Tax Appeals Board for several years because of their case backlog. The Village set aside the Citgo Funds in case the funds have to be repaid. The taxing bodies, led by the county and school district, did reach a settlement with Citgo in 2015. The settlement required that no repayment of taxes collected by the taxing bodies be returned to Citgo. The Village transferred the funds (\$4.3 million) in FY 14-15 from the General Corporate Fund to the Facility Construction Fund to construct a new Fire Station. The agreement sets the EAV for the 2014 through 2018 levies. The settlement does reduce the 2013 EAV by \$30 million over the 2014 and 2015 levy years but the Village will no longer have to set aside the funds.

The Village has raised its property tax rate, but has kept the levy at the nearly same dollar level, the last five years to maintain property tax revenues while keeping costs for the homeowners on average near the same. The Village anticipates keeping the 2015 levy at similar levels. Any increase will be based upon new growth.

The Village, in order to increase sewage treatment capacity and meet EPA requirements, initiated a wastewater consolidation and expansion project. The total project costs \$36 million and took several years to complete. The Village has secured an Illinois EPA Revolving Loan (\$26 million) for a low interest loan to fund the project. The current IEPA loan rate is 2.5%. The loan is for 20 years, with 13 years remaining. Annual payments are \$1.8 million. The loan is being repaid from water and sewer revenues.

The Village continues to improve infrastructure and transportation in the Village. The State is in the process of widening the I55 and Weber Road intersection and includes widening the Normantown and Weber Road intersection as well. The State is in final stages of the design phase but did "break ground" in FY 14-15 and has started some preliminary construction as well. The two intersections are two of the top ten worst locations in the state for accidents. The Village may have to contribute up to \$2 million towards the project.

The Village has an 80% matching grant to study and design an interchange system at I55 and Airport and Route 126. The Village is working in conjunction with the Villages of Plainfield and Bolingbrook to fund the project. All three communities would be the primary beneficiaries of the interchange.

The Village is working with Metra to construct a new train station located at 135th street and New Avenue. The Village worked with the Citgo Refinery to have the land donated and secured a grant for design of the station, to study the impact of the station on the Village's east side and to guide proper planning for the area. Metra has secured funding for the construction. Most of the major obstacles regarding the station have been worked through and design has started on the project.

The Village took several steps to balance the FY 10-11 and future budgets by leaving ten positions vacant through several departments, no raises for non-union staff in FY 10-11, offered an early retirement incentive package (which is reflected in the required GASB 45 reporting) and staff reductions of 3 full-time and 15 part-time positions. FY 12-13, FY 13-14, FY 14-15 and FY 15-16 continue to leave certain positions vacant and limit expenditure increases to only what is contractually obligated and what is deemed necessary. The FY 16-17 budget will be prepared in a similar manner.

The Village's contracts with the Police Union (MAP) and Public Works/Clerical/Inspectors/Code Enforcement/E-911 Dispatch Union (AFSCME) expired at the end of fiscal year 2015. Negotiations started during the spring of 2015. COLA increase should be similar to the historical 2% for both contracts.

Non-Union Employees received a 2% COLA for FY 11-12, FY 12-13, FY 13-14, FY 14-15 and 3% in FY 14-15. Non-Union employees will move from a step plan to a merit based range plan for FY 16-17. There will be no automatic COLA increase but the range top and bottom may be adjusted each year and total raise will be of similar percent to the combined union Step/COLA increase received by the unions.

The Fire Union contract expired in FY 12-13 and negotiations were completed in FY 14-15. The new contract included a substantial pay increase in order to maintain compensation at levels similar to surrounding and like size communities and included a 2% COLA. The new contract expires at the end of FY 15-16 and negotiations have started on the new contract.

Police and Fire Pension Fund Information

The Police Pension fund overall had a strong year in 2015. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes when, in actuality, the Police Pension fund had a return of 7.42% in 2015. The return was caused by an up year in the equity markets, which was reflected in the increase of the market value in mutual funds and annuities held by the fund. Overall, the fund value increased 8.9%. The investment earnings increases were enhanced by Village and employee contributions. The Police Pension fund has a diverse portfolio that includes cash, cash equivalents and money market mutual funds (1 %), treasuries and agencies (33 %) and equities (66 %). The Police Pension fund, based on FY 14-15 data and the Village's actuary calculations, is 61% funded which is a 3% decrease from the prior year. However, the decrease is attributed to the actuarial changes required by GASB 67/68. On an apples-to-apples basis, under the same mythology as last year the percent funded would have increased by 1% to 65% funded. The Village, at the time of this report, does not yet have actuarial information based on FY 14-15 data from the State. The Village and State use differing methodology. The Village bases the levy on the higher actuary requirement between the two.

The Fire Pension fund had an up year in 2015. Overall, the fund increased by 12.5% in value from a combination of investment earnings, Village contributions and employee contributions. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes. However the Fire Pension fund only returned 6.5% in 2015. The returns are due to interest earnings and increases in market valuations of investment. The Fire Pension fund is very conservative with approximately 64% of the assets invested in money market mutual funds (2%), federal treasuries, agencies and municipal bonds (62%). The remaining 36% is invested in mutual funds. The Fire Pension fund, based on FY 14-15 data, is 99% funded according to the Village's actuary calculations which is a 5% decrease from the prior year. However, a large portion of the decrease is attributed to the actuarial changes required by GASB 67/68. On an apples-to-apples basis, under the same mythology as last year the percent funded would have decreased by 1% to 103% funded. The Village bases the levy on the higher actuary requirement between the Village's actuary and the State. The Village, at the time of this report, does not yet have actuarial information based on FY 14-15 data from the State.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. We wish to thank all government departments for their assistance in providing the necessary data and participation to prepare this report. Credit also is due to the Village President and the Village Board for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Romeoville's finances.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kirk Openchowski". The ink is dark and the signature is fluid.

Kirk Openchowski
Finance Director/Treasurer

FINANCIAL SECTION



1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

630.566.8400 // www.sikich.com

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Village President
Members of the Board of Trustees
Village of Romeoville
Romeoville, 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 Romeoville, Illinois (the Village), as of and for the year ended April 30, 2015 and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 Romeoville, 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.

Change in Accounting Principle

The Village adopted Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans - An Amendment of GASB Statement No. 25*. GASB Statement No. 67 resulted in the modification of certain disclosures and required supplementary information. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Naperville, Illinois
October 30, 2015

Sibel LLP

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

Village of Romeoville, Illinois

Management's Discussion and Analysis

April 30, 2015

The Village of Romeoville's (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 years' challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Village's financial statements (beginning on page 4).

Using the Financial Section of this Comprehensive Annual Report

In the past, the primary focus of local governmental financial statements has been summarized fund type information on a current financial resources basis. This approach has been modified and now the Village's financial statements present two kinds of statements, each with a different snapshot of the Village's finances. 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.

Government-Wide Financial Statements

The government-wide financial statements (see pages 4-6) 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 (the "unrestricted net position") is designed to be similar to bottom line results for the Village and its governmental and Business-Type Activities. This statement combines and consolidates 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 general government, public safety, public works, and culture and recreation. Shared state sales, local utility and shared state income taxes finance the majority of these services. The Business-Type Activities reflect private sector type operations (water and sewerage), where the fee for service typically covers all or most of the costs 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 (the previous model's) fund types.

The governmental funds (see pages 7-12) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. 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 fund financial statements also allow the government to address its fiduciary funds (Police Pension and Firefighters' Pension, see pages 17-18). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

(See independent auditor's report.)

- MD&A 1 -

Management's Discussion and Analysis (Continued)

While the Business-Type Activities column in the Business-Type fund financial statements (see pages 13-16) is the same as the Business-Type column in the government-wide financial statements, 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 capital assets and long-term obligations (bonds and others) into the Governmental Activities column (in the government-wide financial statements).

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. The Governmental Accounting Standards Board Statement No. 34 (GASB 34) requires that these assets be valued and reported within the governmental column of the government-wide financial statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful lives 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 lives. 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.

Government-Wide Financial Statements

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$371.2 million as of April 30, 2015.

A significant portion of the Village's net position (95.4%) reflects its investment in capital assets (i.e., land, land improvements, streets and bridges, storm sewers, watermain, buildings and vehicles), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

For more detailed information see the statement of net position (page 4).

The Village's combined net position (which is the Village's equity) decreased to \$371.2 million from \$372.4 million as a result of an increase in the net position of the Governmental Activities and a decrease in the net position of the Business-Type Activities. Net position of the Village's Governmental Activities was \$272.1 million. The Village's unrestricted net position for Governmental Activities, the part of net position that can be used to finance day-to-day operations, was \$4.9 million. The net position of Business-Type Activities decreased to \$ 99.1 million from \$100.4 million. The Village can use unrestricted net position to finance the continuing operation of its water and sewer system.

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Table 1
Statement of Net Position
As of April 30, 2015
(In millions)

| | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|---|-------------------------|-----------------|--------------------------|-----------------|--------------------------|-----------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Current Assets | \$ 50.8 | \$ 48.3 | \$ 11.5 | \$ 11.3 | \$ 62.3 | \$ 59.6 |
| Non Current Assets | 0.1 | 0.1 | - | - | 0.1 | 0.1 |
| Capital Assets | 351.8 | 358.9 | 116.9 | 120.8 | 468.7 | 479.7 |
| Total Assets | <u>402.7</u> | <u>407.3</u> | <u>128.4</u> | <u>132.1</u> | <u>531.1</u> | <u>539.4</u> |
| Deferred Outflows of Resources | | | | | | |
| Unamortized Loss on Refunding | 0.1 | 0.1 | - | - | 0.1 | 0.1 |
| Total Deferred Outflows of Resources | <u>0.1</u> | <u>0.1</u> | <u>-</u> | <u>-</u> | <u>0.1</u> | <u>0.1</u> |
| Current Liabilities | 7.3 | 17.5 | 2.4 | 4.9 | 9.7 | 22.4 |
| Noncurrent Liabilities | 110.0 | 105.0 | 26.9 | 26.8 | 136.9 | 131.8 |
| Total Liabilities | <u>117.3</u> | <u>122.5</u> | <u>29.3</u> | <u>31.7</u> | <u>146.6</u> | <u>154.2</u> |
| Deferred Inflows of Resources | | | | | | |
| Deferred Revenue | 13.1 | 12.9 | - | - | 13.1 | 12.9 |
| Unamortized Gain on Refunding | 0.3 | - | - | - | 0.3 | - |
| Total Deferred Inflows of Resources | <u>13.4</u> | <u>12.9</u> | <u>-</u> | <u>-</u> | <u>13.4</u> | <u>12.9</u> |
| Total Liabilities and Deferred Inflows of Resources | <u>130.7</u> | <u>135.4</u> | <u>29.3</u> | <u>31.7</u> | <u>160.0</u> | <u>167.1</u> |
| Net Investment in Capital Assets | 263.9 | 266.1 | 90.2 | 91.0 | 354.1 | 357.1 |
| Restricted | 3.3 | 4.9 | - | - | 3.3 | 4.9 |
| Unrestricted | 4.9 | 1.0 | 8.9 | 9.4 | 13.8 | 10.4 |
| Total Net Position | <u>\$ 272.1</u> | <u>\$ 272.0</u> | <u>\$ 99.1</u> | <u>\$ 100.4</u> | <u>\$ 371.2</u> | <u>\$ 372.4</u> |

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 Assets – which will reduce current assets and increase capital assets. There is a second impact, an increase in the amount invested in capital assets and an increase in related net debt which will not change the net investment in capital assets.

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

(See independent auditor's report.)

- MD&A 3 -

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

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

Reduction of Capital Assets through Depreciation – which reduces capital assets and net investment in capital assets.

Current Year Impacts

The Village's Governmental Activities net position increased \$0.1 million which can be attributed to several factors. These factors offset each other to reflect the minimal change. Current Assets increased by \$2.5 million, which can be attributed to increased cash and investments (\$2.5 million) as operational revenues exceeded expenditures for the year by that amount. Slight changes in receivables and monies due from other funds offset each other and saw no significant changes. Capital asset balances decreased by \$7.1 million due to depreciation expenses of \$8.6 million exceeding additional capital assets of \$1.5 million. Liabilities and deferred inflows of resources decreased by \$4.7 million which can be attributed to the resolution of the Will County/Citgo Refinery Equalized Assessed Value (EAV) issue. The refinery, in 2010, lost an EAV challenge by the school districts at the county level. The refinery filed to challenge the county ruling on the state level with the Property Tax Appeal Board (PTAB). PTAB has a backlog of cases which delayed the hearing. During the delay the county and other taxing bodies continued to negotiate the EAV. A settlement with the county was reached during FY 14-15 and taxing bodies were allowed to keep the taxes they collected during the dispute period. During this time period, the Village placed the additional property taxes generated from the disputed EAV into an escrow/accrued liability account in the General Corporate Fund. The taxes totaled \$4.3 million. If the case was heard by PTAB and the refinery won their appeal, the Village would have to pay the taxes generated from the disputed EAV back to the refinery. The Village transferred the funds to a capital project fund and will use the funds to construct a Fire Station. Accounts payable decreased \$0.9 million due to fewer capital project invoices, particularly in the Downtown TIF, being in transit at year end while deposits payable increased by \$0.3 million due to funds held in escrow for various development projects. Non-current liabilities decreased by \$1.1 million due to scheduled debt payments offset by the addition of a note payable to Will County (\$1.8 million outstanding) for road improvement contributions requested by the Village at Gaskin and Weber. The Village saw a \$0.5 million increase in Deferred Inflow activities attributed to deferred property taxes (\$240 thousand) and an unamortized gain on refunding of \$260 thousand. The Village refunded the 2004 General Obligation bonds in 2014.

The Village's Business-Type Activities net position decreased \$1.3 million and can be attributed to several factors. Assets decreased by \$3.7 million, which can be attributed to capital asset decreases (\$3.9 million), which were due to depreciation while cash on hand increased by \$0.3 million due to operation cash flows, Accounts receivable decreased by \$0.2 million due to payment timing while the Village as a \$0.1 million receivable for a grant used for sludge storage tank turbo compressors. Liabilities and Deferred Inflows of Resources decreased by \$2.4 million, which can be attributed to decreased liabilities associated with bonds inclusion unamortized bond premiums, notes payable and compensated absences (\$3.3 million) and which was offset by a \$0.9 million increase in accounts payable.

Current year impacts are discussed in more detail after Table 2.

(See independent auditor's report.)

- MD&A 4 -

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Changes in Net Position

The following chart compares the revenue and expenses for the current and prior fiscal year.

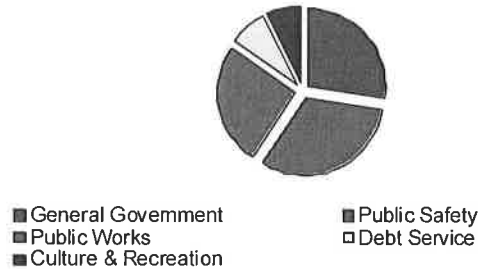
Table 2
Changes in Net Position
For the Fiscal Year Ended April 30, 2015
(In millions)

| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Total Primary Government</u> | |
|------------------------------------|--------------------------------|-----------------|---------------------------------|-----------------|---------------------------------|-----------------|
| | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> |
| REVENUES | | | | | | |
| Program Revenues | | | | | | |
| Charges for Services | \$ 11.1 | \$ 10.7 | \$ 15.6 | \$ 15.4 | \$ 26.7 | \$ 26.1 |
| Operating Grants and Contributions | 1.2 | 1.4 | 0.1 | - | 1.3 | 1.4 |
| Capital Grants and Contributions | 2.3 | 7.5 | 0.2 | 2.4 | 2.5 | 9.9 |
| General Revenues | | | | | | |
| Property and Replacement Taxes | 15.3 | 15.5 | - | - | 15.3 | 15.5 |
| Sales Taxes | 11.0 | 9.9 | - | - | 11.0 | 9.9 |
| Income Taxes | 3.9 | 3.9 | - | - | 3.9 | 3.9 |
| Utility Taxes | 6.0 | 6.0 | - | - | 6.0 | 6.0 |
| Other Taxes | 4.6 | 3.7 | - | - | 4.6 | 3.7 |
| Transfers | - | - | - | - | - | - |
| Other | 0.2 | 0.2 | 0.3 | 0.1 | 0.5 | 0.3 |
| Special Item | <u>4.3</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4.3</u> | <u>-</u> |
| Total Revenues | <u>59.9</u> | <u>58.8</u> | <u>16.2</u> | <u>17.9</u> | <u>76.1</u> | <u>76.7</u> |
| EXPENSES | | | | | | |
| General Government | 16.3 | 16.1 | - | - | 16.3 | 16.1 |
| Public Safety | 19.1 | 19.5 | - | - | 19.1 | 19.5 |
| Public Works | 15.3 | 12.1 | 17.5 | 16.8 | 32.8 | 28.9 |
| Culture and Recreation | 4.3 | 4.2 | - | - | 4.3 | 4.2 |
| Debt Service | <u>4.8</u> | <u>5.0</u> | <u>-</u> | <u>-</u> | <u>4.8</u> | <u>5.0</u> |
| Total Expenses | <u>59.8</u> | <u>56.9</u> | <u>17.5</u> | <u>16.8</u> | <u>77.3</u> | <u>73.7</u> |
| CHANGE IN NET POSITION | <u>0.1</u> | <u>1.9</u> | <u>(1.3)</u> | <u>1.1</u> | <u>(1.2)</u> | <u>3.0</u> |
| BEGINNING NET POSITION | <u>272.0</u> | <u>264.0</u> | <u>100.4</u> | <u>99.3</u> | <u>372.4</u> | <u>363.3</u> |
| Prior Period Adjustment | - | 6.1 | - | - | - | 6.1 |
| BEGINNING NET POSITION, RESTATED | <u>272.0</u> | <u>270.1</u> | <u>100.4</u> | <u>99.3</u> | <u>372.4</u> | <u>369.4</u> |
| ENDING NET POSITION | <u>\$ 272.1</u> | <u>\$ 272.0</u> | <u>\$ 99.1</u> | <u>\$ 100.4</u> | <u>\$ 371.2</u> | <u>\$ 372.4</u> |

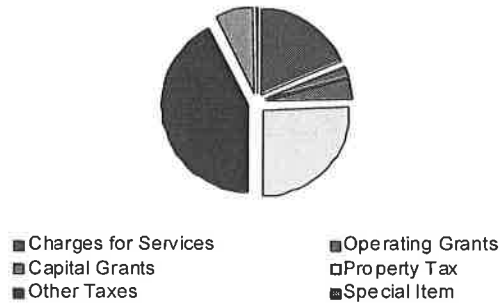
(See independent auditor's report.)

Management's Discussion and Analysis (Continued)

2015 Governmental Activities Expenses



2015 Governmental Activities Revenue



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 Board 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, home rule sales tax, etc.)

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, 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 is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Expenses:

Introduction of New Programs – within the functional expense categories (Public Safety, Public Works, General Government, Culture and Recreation, 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 Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 45% of the Village's operating costs.

Salary Increases (annual adjustments and merit raises) – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position 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 parts. Some functions may experience unusual commodity-specific increases.

Current Year Impacts

Revenues:

For the fiscal year ended April 30, 2015, revenues from all activities totaled \$76.1 million. The Village has a diversified revenue structure and depends on several key revenue sources to help pay for the services provided. These sources include property taxes, sales taxes, utility taxes, shared revenues from the State (income tax, motor fuel tax), building permits, grants, developer contributions, rubbish collection fees, water and sewer sales to customers and tap-on fees.

The Village saw a 0.4% increase in the equalized assessed valuation (EAV) from \$1.034 billion to \$1.038 billion. The decrease in its property tax revenue in 2015 compared to the previous years was 2.0%. The tax rate increased to \$1.3278 per \$100 EAV. The Village, as a Home Rule community is not subject to the property tax cap laws. The Village collected \$0.3 million less in property tax (\$14.9 million vs. \$15.2 million) due to a decrease from TIF related property taxes. The Marquette TIF saw a significant decrease in Equalized Assessed Value based on the sales price of a building formerly occupied by Sharp Electronics to Magid Glove and Safety. The Village's levy, in terms of dollars, was \$0.2 million higher than in the prior year.

Sales Tax increased by \$1.1 million or 11.1%. Sales Tax increased primarily due to a full year of the Sam's Club being open, other additional retail including TJ Maxx, and the start of a recovering economy. State sales tax increased by \$0.7 million and the Village's Home Rule sales tax increased by \$0.4 million while the State Use Tax increased by \$0.1 million. The Village last increased its home rule sales tax rate from 1.00% to 1.5% effective January 1st, 2010.

State Income Tax showed no increase during the year due to a decreases in statewide income as unemployment levels dip are offset by lower wages and a decreasing population in the state.

Utility taxes showed no increase as revenues from these sources remained stable.

The Village saw an increase in other tax revenue over the prior year of \$0.9 million or 24.3%. The increases can be attributed to Real Estate Transfer Tax (\$0.2 million), Home Rule Gas tax (\$0.1 million) and Food and Beverage Tax (\$0.5 million). The Village had greater than anticipated sales of industrial property, additional motor fuel sales pertaining to a FedEx facility, the reopening of a Citgo station and a full year of the Sam's Club gas station and an increase on the Food and Beverage Tax rate from 1% to 1.25% from non- alcohol sales and 1% to 3% for alcohol sales.

License and permit revenue decreased 0.3% in 2015. Both 2014 and 2015 had license and permit revenue totaling \$2.2 million. Increases in building permits of \$0.1 million were offset by a similar decrease in inspections. The decrease in inspections is due to project timing.

Investment returns, excluding pension funds, increased by approximately 83.7% due to market valuation changes and greater earnings for funds invested in government securities based investment funds.

Charges for services increased by \$0.6 million or 2.3%. The increases came from both Governmental Activities (\$0.4 million) and Business-Type Activities (\$0.2 million).

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

The Business-Type Activities (water and sewer operations) decrease was from less developer contributions which can fluctuate greatly from year to year based on the timing and location of development.

Operating Grants and Contributions saw a decrease of \$0.1 million, while Capital Grants and Contributions decreased \$7.4 million. The Village received \$0.3 million less in grant revenues which tends to fluctuate from year to year based upon project timing and grant availability. The decrease in Capital Grants and Contributions is due to less infrastructure contributed by developers.

Transfer payments, starting in FY 10-11, from the Business Activities (Water and Sewer fund) to Governmental Activities (General Corporate Fund) are no longer shown as a transfer but are reflected as an allocation between funds and are netted against expenditures in Governmental Activities.

The Police Pension Fund ended the year with \$34.4 million in assets. The fund had \$4.4 million in additions, which were provided by employer and employee contributions and investment income. The fund had \$1.6 million in deductions. The bulk of the deductions were from pension benefits (\$1.6 million). The net increase to the fund was \$2.8 million.

The Fire Pension Fund ended the year with \$7.4 million in assets. The fund had \$0.9 million in additions, which were provided by employer and employee contributions and investment income. The fund had \$0.1 million in deductions which consisted of administrative expenses, pension benefits and refunds of contributions. The net increase to the fund was \$0.8 million.

Expenses:

The Village's total expenses for all activities for the year ended April 30, 2015 were \$77.3 million. Expenses increased 4.9% (\$3.6 million) as compared to 2014.

Governmental Activities costs increased by \$2.9 million. The increases came from General Government (\$0.2 million), Public Works (\$3.2 million), and Culture and Recreation (\$0.1 million) which were offset by a \$0.4 million decrease in Public Safety and a \$0.2 million decrease in Debt Service Costs.

General Governmental Activities increase of \$0.2 million is attributed to capital expenditure related increases of \$1.7 million, most which pertains to the Village's contribution to the county for requested improvements on county roads (Gaskin and Weber intersection), is offset to a \$1.5 million operations decrease pertaining to Worker Compensation and General Liability insurance decreases (\$0.8 million) due to favorable claim experience, a decrease in the required Citgo payment for power line burial reimbursements (\$0.3 million), and sales tax incentive payments (\$0.4 million) due to the overestimate of an Sam's Club sales tax incentive due prior to receiving any actual sale information.

Public Safety decreased by \$0.4 million. Operational expenditures increased \$0.2 million from \$17.7 million to \$17.9 million. The operational increase is due to step and benefit increases including pensions. The increase is offset by decreases in capital expenditures.

Public Works expenditures increased by \$3.2 million compared to the prior year. Operational expenses increased slightly (\$0.2 million) while capital outlay expenditures increased dramatically (\$3.0 million) from the prior year. The increase pertains to capital outlay expenditures and depreciation related mostly to infrastructure.

The Culture and Recreation increase of \$0.1 million is due to increases in operations (\$0.2 million) offset by capital project savings (\$0.1 million).

Business-Type Activities (water and sewer) increased by \$0.7 million from the prior year. The increases were from operations (\$0.9 million) and depreciation (\$0.1 million) and were offset by interest expense (\$0.1 million) and water relief rebate (\$0.1 million) decreases. Operation savings are spread through many line items while the property tax rebate is due to a decrease in the credit from \$20.00 per household to \$15.00. The water and sewer operations accounted for 53.3% of the total Public Works activities.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Financial Analysis of the Village's Funds

Governmental Funds

At April 30, 2015, the governmental funds (as presented on the balance sheet on pages 7-8) reported a combined fund balance of \$30.9 million. Revenues/sources exceeded Expenditures/uses in 2015 by \$6.3 million. The primary reason for this increase was due to the \$4.3 million in Citgo property tax revenues that were being held as an accrued liability and were released when the refinery and the taxing bodies reached an agreement regarding the refinery's EAV and greater than anticipated revenues and less than anticipated expenditures in the General Corporate Fund excluding the Citgo refinery related transactions. The General Corporate Fund Balance increased by \$2.6 million. This was offset by a decrease in TIF and capital project/bond funds as fund balances were used to complete various projects

General Fund Budgetary Highlights

Prior to or at the last Village Board meeting in April, the Mayor submits to the Village Board a proposed operating budget for the fiscal year commencing on May 1. The operating budget includes proposed expenditures and the means to finance them. The Village had no budget amendments in 2015. Below is a table that reflects the original budget and the actual activity for the revenues and expenditures for the General Fund.

Table 3
General Fund Budgetary Highlights
(In millions)

| General Fund | Original Budget | Actual |
|--|----------------------------|--------------------|
| Revenues and Other Financing Sources | | |
| Property Taxes | \$ 9.3 | \$ 9.3 |
| Other taxes | 18.9 | 20.0 |
| Interest | 0.1 | 0.1 |
| Fines | 0.6 | 0.5 |
| Licenses and permits | 1.9 | 2.2 |
| Charges for services | 5.4 | 5.6 |
| Intergovernmental | 5.6 | 5.5 |
| Other | 1.9 | 1.9 |
| Notes payable issued | 0.0 | 2.7 |
| Sale of capital assets | 0.0 | 0.1 |
| Total | <u>43.7</u> | <u>47.9</u> |
| Expenditures and Other Financing Uses | | |
| General government | 10.8 | 10.0 |
| Public safety | 18.7 | 17.9 |
| Public works | 8.3 | 8.1 |
| Capital outlay | 3.4 | 5.7 |
| Debt service | 0.2 | 1.2 |
| Reimbursements | (3.0) | (3.0) |
| Transfers out | 5.3 | 9.6 |
| Total | <u>43.7</u> | <u>49.5</u> |
| Special Item | - | <u>4.3</u> |
| Change in Fund Balance | <u>-</u> | <u>2.7</u> |

As shown above, the General Fund was budgeted to break-even, while actual results were an increase of \$2.7 million. Revenues were over budget by approximately \$4.2 million and expenditures were over budget by \$5.8 million.

The Special Item pertains to the Citgo EAV settlement discussed previously in this letter.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

The Village received \$1.1 million more in other taxes than anticipated. The Village received \$0.3 million more than anticipated in Sales and Home Rule sales tax, \$0.1 million more than use tax, \$0.2 million in electric utility tax, \$0.1 million more in Natural Gas Use Tax \$0.1 more in local motor fuel tax, \$0.3 more in Real Estate Transfer Tax and \$0.1 million more in Food and Beverage Tax which was offset by a \$0.1 million decrease in telephone utility tax. Most of the increases were due to a slightly better than anticipated economy while the telecommunication decrease was due to a federal class action lawsuit which required the state to reduce payments by \$0.1 million to the Village.

Interest was higher than anticipated due to greater than anticipated market changes in the bond market. The budget was \$10,000 and receipts were \$62,489.

Fines were under budget by \$0.1 million as vehicle impound fees continued a downward trend and were \$0.1 million under budget.

Building Permits were budgeted at a conservative level based on projects in process during fiscal year 2015. Results were greater than expected with building related permits over budget by \$0.3 million. The economic slowdown has resulted in overall less revenue than in years prior to the slowdown. However, commercial and industrial building activity has picked up over the past three years.

Charges for services, over budget by \$0.2 million, saw additional revenues in engineering reimbursements due to greater than anticipated development activity (\$0.1 million) and an increase in Cable Franchise Fees of \$0.1 million, while Ambulance Fees were less than anticipated (\$0.1 million) due to timing of increased Medicare rate reimbursements and less than anticipated activity.

Intergovernmental Revenues were under budget by \$0.1 million. The Village received the \$3.9 million anticipated in State Income Tax and \$0.1 million more from the Lockport Township Fire Protection District property tax sharing agreement, which was offset by \$0.2 million less in State Grants pertaining for the Metra Station and Taylor Road sidewalks.

Other revenues were in line with the budgeted amount of \$1.9 million. Developer Contributions were over budget by \$0.2 million. The Village received funds for improvements made by the Village for subdivision improvements and roadway landscape islands that were not included in the budget. Flexible spending was \$0.1 million under budget. The Village budgets for the flexible spending payments withheld from employees and distributed to the flexible spending plan, but the receipts are not recognized as revenues for financial reporting purposes.

General Government expenditures were under budget by \$0.8 million. The savings were in sales tax incentives (\$0.1 million), Salaries (\$0.1 million), Contingencies (\$0.3 million), Reserves for Retroactive Pay (\$0.1 million) and contractual savings in the Personnel/Human Resources cost center (\$0.2 million). Sales tax incentives savings were due to less than anticipated sales from the Sam's store. Salaries savings were due to turnover and vacancies and the splitting of full-time Community Development planner position to part-time. There were no expenditures charged to contingencies. The actual retroactive pay for the firefighters is reflected in the salary line items. The contractual savings in Personnel were due to less than anticipated Worker Compensation and General Liability Insurance. IT had greater than anticipated contractual services (\$0.1 million) pertaining to the unbudgeted web-site redesign project and the implementation of a Kronos time management project.

Public Safety expenditures were under budget by \$0.8 million. The majority came through salary savings of \$0.7 million due to the timing of hiring new fire and police personnel including vacant Battalion Chief Positions and vacant Police Officer positions, Code Enforcement, E911 Dispatcher and Full and Part-time Firefighter positions. The Police and Fire Departments had a variety of savings (\$0.1 million) over several contractual and commodity line items.

Public Works expenditures were under budget by \$0.2 million. Public works realized \$0.1 million in personnel savings due to vacancies and \$0.1 million in savings from both contractual services and commodities. The contractual and commodities savings were from street and sanitation (\$0.2 million) and motor pool expenses (\$0.1 million). The savings were spread out over many accounts. The largest area of savings pertained to sidewalk replacements. Building and Grounds and Landscape and Grounds, which were once combined cost centers, were \$0.1 million over budget.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Capital outlay expenditures were over budget by \$2.3 million due to the inclusion of the Village's greater than anticipated non-capital outlay contributions to the county for road improvements (\$1.8 million), the unbudgeted purchase of land (\$0.2 million) and additional street resurfacing (\$.6 million) which was offset by some grant related public safety purchases that were not made, as the grant funding was not obtained (\$0.2 million).

Transfers to other funds were over budget by \$4.3 million. The transfers were to the Debt Service Fund (\$4.1 million), the Facility Construction Fund (\$4.3 million) and the Recreation Department Fund (\$1.2 million).

The Village made a concerted effort to keep General Fund expenditures within or under revenues for fiscal year 2015. The Village, at the start of fiscal year 2005, had a negative fund balance of \$0.6 million. The fiscal year 2015 fund balance is now at \$20.6 million. The Village's long-term goal is to have and maintain a positive fund balance equal to 25% of the General Fund budget. The Village increased the fund balance by \$2.7 million in FY 2014-15. The Village's targeted fund balance, based on actual expenditures and transfers of \$48.3 million (excluding a \$4.3 million transfer related to a one-time special item revenue), as of April 30, 2015 was \$12.1 million. The fiscal year 2014-15 budget was \$46.8 million, with a targeted fund balance of \$11.7 million. The Village's 2015-16 budget of \$46.5 million has a targeted fund balance of \$11.6 million.

Capital Assets

At the end of fiscal year 2015, the Village had a combined total of capital assets of \$468.7 million (after accumulated depreciation of \$185.2 million) invested in a broad range of capital assets including land, land improvements, buildings, vehicles, machinery and equipment, furniture and fixtures, streets, bridges, watermain, storm sewers and sanitary sewer lines. (See Table 4 below). This amount represents a net decrease (including additions and deletions) of approximately \$11.0 million. Detailed information related to capital assets is included in Notes 1 and 4 to the basic financial statements.

The Net Capital Assets of the Village decreased by \$11.0 million over 2014. The main reason for the decrease can be attributed to depreciation of \$13.2 million and \$.5 million in deletions versus \$2.7 million in additions net of Construction in Progress. Governmental Activities assets decreased by \$7 million, while Business-Type activities decreased by \$4 million. Asset additions have slowed as the Village has depleted bond and TIF funds for their intended projects and Water and Sewer unrestricted equity balances has slowed as several large infrastructure projects have been completed and the balances have been depleted.

Table 4
Total Capital Assets at Year End
Net of Depreciation
(In millions)

| | Balance 4/30/14 | Net Additions/Deletions | Balance 4/30/15 |
|--------------------------|------------------------|--------------------------------|------------------------|
| Land | \$ 192.3 | \$ 0.2 | \$ 192.5 |
| Construction in Progress | 13.8 | (13.6) | 0.2 |
| Buildings | 55.1 | 11.4 | 66.5 |
| Machinery and Equipment | 3.0 | (0.3) | 2.7 |
| Furniture and Fixtures | 0.3 | (0.1) | 0.2 |
| Vehicles | 2.7 | 0.1 | 2.8 |
| Infrastructure | 212.4 | (8.7) | 203.7 |
| Other Equipment | <u>0.1</u> | <u>0.0</u> | <u>0.1</u> |
| Total Capital Assets | <u>\$ 479.7</u> | <u>(\$ 11.0)</u> | <u>\$ 468.7</u> |

Debt Outstanding

As of April 30, 2015, the Village had outstanding bonded debt of \$110.2 million. Of this amount \$7.9 million represented general obligation bonds associated with Business-Type Activities. General obligation bonds associated with Governmental Activities totaled \$102.3 million.

As of April 30, 2015, the Village has an \$18.8 million Illinois Environmental Protection Agency Clean Water State Revolving Fund loan.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

The Village is no longer subject to the debt limit due to its Home Rule community status. However, the Village's legal debt limitation would be \$89,518,520 if it were a non-Home Rule community. The limit is based on 8.625% of the 2014 equalized assessed valuation of \$1,037,895,885.

Detailed information related to long-term debt is included in Note 6 to the basic financial statements.

Economic Factors

The fiscal year ended positively as the Village's General Corporate Fund, Recreation Fund, Other Governmental Funds and Pension Funds all ended with a surplus and the Water and Sewer Fund ended with a less than anticipated decrease. The financial condition of the General Corporate Fund has stabilized significantly over the past several years. The Village does continue to feel the effects of the slow growth economy and effects of the recession which began to impact the Village in the fall of 2008. However, the Village has made many adjustments on both the revenue and expenditure side to ensure core services are provided while still maintaining adequate fund balances. The Village was able to prepare a FY 15-16 budget that was designed to ensure the Village's financial position remains strong and maintain existing service levels. The budget did not utilize General Corporate Fund balance but may do so in future budgets. Uses in other funds are tied to capital projects. Preliminary estimates indicate that not all of the fund balance will be needed for FY 15-16.

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 Kirk Openchowski, Finance Director, Village of Romeoville, 1050 West Romeo Road, Romeoville, Illinois 60446.

(See independent auditor's report.)

BASIC FINANCIAL STATEMENTS

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2015

| | Primary Government | | |
|--|----------------------------|-----------------------------|-----------------------|
| | Governmental Activities | Business-Type Activities | Total |
| ASSETS | | | |
| Cash and cash equivalents | \$ 27,884,219 | \$ 2,361,552 | \$ 30,245,771 |
| Investments | 4,249,366 | 7,593,865 | 11,843,231 |
| Receivables (net, where applicable, of allowances for uncollectibles) | | | |
| Property taxes | 13,160,007 | - | 13,160,007 |
| Accounts | 553,993 | 1,494,451 | 2,048,444 |
| Interest | 10,839 | - | 10,839 |
| Other | 1,131,815 | 136,620 | 1,268,435 |
| Due from other governments | 3,646,366 | - | 3,646,366 |
| Due from fiduciary funds | 114,986 | - | 114,986 |
| Net OPEB asset | 184,747 | - | 184,747 |
| Capital assets not being depreciated | 192,677,793 | 20,728 | 192,698,521 |
| Capital assets being depreciated | 159,162,196 | 116,877,099 | 276,039,295 |
| Total assets | 402,776,327 | 128,484,315 | 531,260,642 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Unamortized loss on refunding | 34,237 | - | 34,237 |
| Total deferred outflows of resources | 34,237 | - | 34,237 |
| LIABILITIES | | | |
| Accounts payable | 2,732,594 | 1,788,847 | 4,521,441 |
| Accrued liabilities | 1,615,530 | 143,896 | 1,759,426 |
| Deposits payable | 2,346,998 | 178,866 | 2,525,864 |
| Unearned revenue | 17,668 | - | 17,668 |
| Accrued interest payable | 615,477 | 302,034 | 917,511 |
| Noncurrent liabilities | | | |
| Due within one year | 6,363,894 | 3,499,808 | 9,863,702 |
| Due in more than one year | 103,619,012 | 23,424,238 | 127,043,250 |
| Total liabilities | 117,311,173 | 29,337,689 | 146,648,862 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred revenue | 13,160,007 | - | 13,160,007 |
| Unamortized gain on refunding | 262,558 | - | 262,558 |
| Total deferred inflows of resources | 13,422,565 | - | 13,422,565 |
| Total liabilities and deferred inflows of resources | 130,733,738 | 29,337,689 | 160,071,427 |
| NET POSITION | | | |
| Net investment in capital assets | 263,931,875 | 90,261,491 | 354,193,366 |
| Restricted for | | | |
| Maintenance of roadways | 1,240,359 | - | 1,240,359 |
| Economic development | 1,611,200 | - | 1,611,200 |
| Capital projects | 436,563 | - | 436,563 |
| Unrestricted | 4,856,829 | 8,885,135 | 13,741,964 |
| TOTAL NET POSITION | \$ 272,076,826 | \$ 99,146,626 | \$ 371,223,452 |

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2015

| FUNCTIONS/PROGRAMS | Program Revenues | | | |
|--|----------------------|-------------------------|--|--|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| PRIMARY GOVERNMENT | | | | |
| Governmental Activities | | | | |
| General government | \$ 16,251,079 | \$ 1,268,676 | \$ 77,573 | \$ - |
| Public safety | 19,131,969 | 3,274,051 | 119,920 | - |
| Public works | 15,310,857 | 5,541,431 | 1,050,936 | 2,318,434 |
| Culture and recreation | 4,277,124 | 970,556 | - | 12,500 |
| Interest and fiscal charges on long-term debt | 4,794,913 | - | - | - |
| Total governmental activities | 59,765,942 | 11,054,714 | 1,248,429 | 2,330,934 |
| Business-Type Activities | | | | |
| Water and sewer | 17,496,743 | 15,524,548 | 136,620 | 211,426 |
| Total business-type activities | 17,496,743 | 15,524,548 | 136,620 | 211,426 |
| TOTAL PRIMARY GOVERNMENT | \$ 77,262,685 | \$ 26,579,262 | \$ 1,385,049 | \$ 2,542,360 |

| Net (Expense) Revenue and Change in Net Position | | | |
|---|------------------------------------|-------------------------------------|-----------------|
| Primary Government | | | |
| | Governmental Activities | Business-Type Activities | Total |
| | \$ (14,904,830) | \$ - | \$ (14,904,830) |
| | (15,737,998) | - | (15,737,998) |
| | (6,400,056) | - | (6,400,056) |
| | (3,294,068) | - | (3,294,068) |
| | (4,794,913) | - | (4,794,913) |
| | (45,131,865) | - | (45,131,865) |
| | - | (1,624,149) | (1,624,149) |
| | - | (1,624,149) | (1,624,149) |
| | (45,131,865) | (1,624,149) | (46,756,014) |
| General Revenues | | | |
| Taxes | | | |
| Property and replacement | 15,269,571 | - | 15,269,571 |
| Sales | 10,955,120 | - | 10,955,120 |
| Use | 818,410 | - | 818,410 |
| Telecommunications | 1,142,883 | - | 1,142,883 |
| Utility | 6,022,872 | - | 6,022,872 |
| Income | 3,886,045 | - | 3,886,045 |
| Hotel/motel | 400,345 | - | 400,345 |
| Other | 2,210,611 | - | 2,210,611 |
| Investment income | 64,959 | 300,876 | 365,835 |
| Miscellaneous | 165,667 | 32,668 | 198,335 |
| Special item | 4,288,965 | - | 4,288,965 |
| Total | 45,225,448 | 333,544 | 45,558,992 |
| CHANGE IN NET POSITION | 93,583 | (1,290,605) | (1,197,022) |
| NET POSITION, MAY 1 | 271,983,243 | 100,437,231 | 372,420,474 |
| NET POSITION, APRIL 30 | \$ 272,076,826 | \$ 99,146,626 | \$ 371,223,452 |

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2015

| | General | Recreation | Facility Construction | Downtown TIF District | Nonmajor | Total |
|--|----------------------|---------------------|--------------------------|--------------------------|---------------------|----------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 17,327,040 | \$ 1,528,743 | \$ 4,196,160 | \$ 410,013 | \$ 4,422,263 | \$ 27,884,219 |
| Investments | 3,750,434 | - | 498,932 | - | - | 4,249,366 |
| Receivables (net, where applicable, of allowances for uncollectibles) | | | | | | |
| Property taxes | 10,453,175 | 1,924,259 | - | - | 782,573 | 13,160,007 |
| Accounts | 525,968 | 8,025 | 20,000 | - | - | 553,993 |
| Interest | 9,566 | - | 1,273 | - | - | 10,839 |
| Other | 1,018,470 | 50,432 | - | - | 62,913 | 1,131,815 |
| Due from other funds | 214,012 | - | - | - | 200,683 | 414,695 |
| Due from other governments | 3,478,570 | - | - | - | 167,796 | 3,646,366 |
| TOTAL ASSETS | \$ 36,777,235 | \$ 3,511,459 | \$ 4,716,365 | \$ 410,013 | \$ 5,636,228 | \$ 51,051,300 |

**LIABILITIES, DEFERRED INFLOWS
OF RESOURCES, AND FUND BALANCES**

LIABILITIES

| | General | Recreation | Facility Construction | Downtown TIF District | Nonmajor | Total |
|---------------------|--------------|------------|--------------------------|--------------------------|------------|--------------|
| Accounts payable | \$ 1,897,355 | \$ 238,615 | \$ 30,184 | \$ 200,812 | \$ 365,628 | \$ 2,732,594 |
| Accrued liabilities | 1,507,271 | 108,259 | - | - | - | 1,615,530 |
| Deposits | 2,217,670 | 84,328 | 45,000 | - | - | 2,346,998 |
| Due to other funds | 8,425 | - | - | 75,223 | 216,061 | 299,709 |
| Unearned revenue | 17,668 | - | - | - | - | 17,668 |
| Total liabilities | 5,648,389 | 431,202 | 75,184 | 276,035 | 581,689 | 7,012,499 |

DEFERRED INFLOWS OF RESOURCES

| | | | | | | |
|---|------------|-----------|--------|---------|-----------|------------|
| Unavailable revenue | 10,453,175 | 1,924,259 | - | - | 782,573 | 13,160,007 |
| Total deferred inflows of resources | 10,453,175 | 1,924,259 | - | - | 782,573 | 13,160,007 |
| Total liabilities and deferred inflows of resources | 16,101,564 | 2,355,461 | 75,184 | 276,035 | 1,364,262 | 20,172,506 |

FUND BALANCES

| | | | | | | |
|-------------------------|------------|-----------|-----------|---------|-----------|------------|
| Restricted | | | | | | |
| Maintenance of roadways | - | - | - | - | 1,240,359 | 1,240,359 |
| Economic development | - | - | - | 133,978 | 1,477,222 | 1,611,200 |
| Capital projects | - | - | - | - | 436,563 | 436,563 |
| Unrestricted | | | | | | |
| Assigned | | | | | | |
| Maintenance of roadways | - | - | - | - | 792,376 | 792,376 |
| Recreation | - | 1,155,998 | - | - | - | 1,155,998 |
| Capital projects | - | - | 4,641,181 | - | 317,317 | 4,958,498 |
| Debt service | - | - | - | - | 8,129 | 8,129 |
| Unassigned | 20,675,671 | - | - | - | - | 20,675,671 |
| Total fund balances | 20,675,671 | 1,155,998 | 4,641,181 | 133,978 | 4,271,966 | 30,878,794 |

**TOTAL LIABILITIES, DEFERRED INFLOWS
OF RESOURCES, AND FUND BALANCES**

| | | | | | |
|---------------|--------------|--------------|------------|--------------|---------------|
| \$ 36,777,235 | \$ 3,511,459 | \$ 4,716,365 | \$ 410,013 | \$ 5,636,228 | \$ 51,051,300 |
|---------------|--------------|--------------|------------|--------------|---------------|

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

April 30, 2015

| | |
|---|------------------------------|
| FUND BALANCES OF GOVERNMENTAL FUNDS | \$ 30,878,794 |
| 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 governmental funds | 351,839,989 |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds | |
| Compensated absences payable | (3,527,783) |
| Unamortized premium on bonds | (955,206) |
| General obligation bonds payable | (101,393,606) |
| Capital leases payable | (759,355) |
| Notes payable | (1,769,790) |
| Net pension obligation | (1,577,166) |
| Gains and losses on debt refundings are capitalized and amortized at the government-wide level | |
| Unamortized loss on refunding | 34,237 |
| Unamortized gain on refunding | (262,558) |
| The net other postemployment benefit asset is shown as an asset on the statement of net position | 184,747 |
| Accrued interest on long-term liabilities is reported as a liability on the statement of net position | <u>(615,477)</u> |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | <u>\$ 272,076,826</u> |

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2015

| | General | Recreation | Facility Construction |
|--|----------------------|---------------------|----------------------------------|
| REVENUES | | | |
| Property taxes | \$ 9,298,756 | \$ 1,856,144 | \$ - |
| Other taxes | 19,980,126 | 849,709 | - |
| Fines and forfeits | 525,809 | - | - |
| Licenses and permits | 2,239,902 | - | - |
| Charges for services | 5,599,897 | 970,556 | - |
| Intergovernmental | 5,461,886 | 12,500 | - |
| Investment income | 62,489 | 117 | 1,718 |
| Other | 1,937,377 | 17,077 | - |
| Total revenues | 45,106,242 | 3,706,103 | 1,718 |
| EXPENDITURES | | | |
| Current | | | |
| General government | 10,000,473 | - | - |
| Public safety | 17,878,688 | - | - |
| Public works | 8,139,070 | - | - |
| Culture and recreation | - | 3,964,195 | - |
| Allocations to water and sewer fund | (3,060,000) | - | - |
| Capital outlay | 5,719,782 | 485,189 | 125,000 |
| Debt service | | | |
| Principal | 1,179,645 | 5,617 | - |
| Interest and fiscal charges | 23,339 | - | - |
| Debt issuance costs | - | - | - |
| Total expenditures | 39,880,997 | 4,455,001 | 125,000 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 5,225,245 | (748,898) | (123,282) |
| OTHER FINANCING SOURCES (USES) | | | |
| Bonds issued | - | - | - |
| Premium on bonds issued | - | - | - |
| Notes payable issued | 2,747,915 | - | - |
| Payment to escrow agent | - | - | - |
| Transfers in | 30,000 | 1,236,850 | 4,288,965 |
| Transfers (out) | (9,627,668) | (351,200) | - |
| Sale of capital assets | 14,975 | - | - |
| Total other financing sources (uses) | (6,834,778) | 885,650 | 4,288,965 |
| SPECIAL ITEM | 4,288,965 | - | - |
| NET CHANGE IN FUND BALANCES | 2,679,432 | 136,752 | 4,165,683 |
| FUND BALANCES, MAY 1 | 17,996,239 | 1,019,246 | 475,498 |
| FUND BALANCES, APRIL 30 | \$ 20,675,671 | \$ 1,155,998 | \$ 4,641,181 |

| Downtown TIF | | |
|--------------|--------------|---------------|
| District | Nonmajor | Total |
| \$ 158,198 | \$ 3,586,212 | \$ 14,899,310 |
| - | 723,653 | 21,553,488 |
| - | - | 525,809 |
| - | - | 2,239,902 |
| - | - | 6,570,453 |
| 59,448 | 1,342,572 | 6,876,406 |
| 108 | 527 | 64,959 |
| 108,483 | 780,544 | 2,843,481 |
| 326,237 | 6,433,508 | 55,573,808 |
| 126,404 | 1,552,547 | 11,679,424 |
| - | - | 17,878,688 |
| - | 1,197,282 | 9,336,352 |
| - | - | 3,964,195 |
| - | - | (3,060,000) |
| 1,405,509 | 808,359 | 8,543,839 |
| 1,110,000 | 3,579,309 | 5,874,571 |
| 495,570 | 1,574,394 | 2,093,303 |
| - | 125,748 | 125,748 |
| 3,137,483 | 8,837,639 | 56,436,120 |
| (2,811,246) | (2,404,131) | (862,312) |
| - | 7,308,233 | 7,308,233 |
| - | 677,639 | 677,639 |
| - | - | 2,747,915 |
| - | (7,860,124) | (7,860,124) |
| 1,798,448 | 4,319,605 | 11,673,868 |
| - | (1,695,000) | (11,673,868) |
| - | - | 14,975 |
| 1,798,448 | 2,750,353 | 2,888,638 |
| - | - | 4,288,965 |
| (1,012,798) | 346,222 | 6,315,291 |
| 1,146,776 | 3,925,744 | 24,563,503 |
| \$ 133,978 | \$ 4,271,966 | \$ 30,878,794 |

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES**

For the Year Ended April 30, 2015

| | |
|---|---------------------|
| NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS | \$ 6,315,291 |
|---|---------------------|

Amounts reported for governmental activities in the statement of activities are different because:

| | |
|--|-----------|
| Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities | 2,377,373 |
|--|-----------|

| | |
|---|-------------|
| Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds | |
| Depreciation of capital assets | (8,615,876) |
| Loss on sale of capital assets | (838,154) |

| | |
|---|---------|
| Revenues in the statement of activities that are not available in governmental funds are not reported as revenue in governmental funds until received | (3,248) |
|---|---------|

| | |
|---|-------------|
| The accretion of interest on the Series 2008B capital appreciation bonds is reported as interest expenses and an increase in bonds payable in the statement of activities | (2,743,540) |
|---|-------------|

| | |
|---|-------------|
| The issuance of long-term debt and related costs are shown on the fund financial statements as other financing sources (uses) and current expenditures but are recorded as long-term liabilities and deferred outflows and inflows of resources on the government-wide statements | |
| Issuance of refunding bonds | (7,308,233) |
| Premium on issuance of refunding bonds | (677,639) |
| Gain on refunding | (276,139) |
| Notes payable | (2,747,915) |

| | |
|--|-----------|
| The repayment of the principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities | |
| General obligation bonds | 4,689,309 |
| General obligation bonds refunded | 7,860,124 |
| Notes payable | 978,125 |
| Capital leases | 207,140 |

| | |
|---|--------|
| The change in accrued interest payable on long-term debt is reported as an expense on the statement of activities | 72,861 |
|---|--------|

| | |
|---|---------|
| Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities | 370,956 |
|---|---------|

| | |
|---|----------|
| Changes in net pension obligations are reported only in the statement of activities | (12,872) |
|---|----------|

| | |
|--|---------|
| Changes in compensated absences are reported only in the statement of activities | 442,690 |
|--|---------|

| | |
|---|-------|
| Changes in net postemployment benefit assets are reported only in the statement of activities | 3,330 |
|---|-------|

| | |
|--|------------------|
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | \$ 93,583 |
|--|------------------|

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**STATEMENT OF NET POSITION
PROPRIETARY FUND**

April 30, 2015

| | Business-Type Activities Water and Sewer |
|---|---|
| CURRENT ASSETS | |
| Cash and cash equivalents | \$ 2,361,552 |
| Investments | 7,593,865 |
| Receivables (net where applicable, of allowances for uncollectibles) | <u>1,631,071</u> |
| Total current assets | <u>11,586,488</u> |
| NONCURRENT ASSETS | |
| Capital assets not being depreciated | 20,728 |
| Capital assets being depreciated, net | <u>116,877,099</u> |
| Total noncurrent assets | <u>116,897,827</u> |
| Total assets | <u>128,484,315</u> |
| CURRENT LIABILITIES | |
| Accounts payable | 1,788,847 |
| Accrued liabilities | 143,896 |
| Accrued interest payable | 302,034 |
| Deposits payable | 178,866 |
| General obligation bonds payable | 2,065,264 |
| Note payable | 1,239,303 |
| Compensated absences payable | <u>195,241</u> |
| Total current liabilities | <u>5,913,451</u> |
| LONG-TERM LIABILITIES | |
| General obligation bonds payable | 5,789,312 |
| Note payable | 17,542,457 |
| Compensated absences payable | <u>92,469</u> |
| Total long-term liabilities | <u>23,424,238</u> |
| Total liabilities | <u>29,337,689</u> |
| NET POSITION | |
| Net investment in capital assets | 90,261,491 |
| Unrestricted | <u>8,885,135</u> |
| TOTAL NET POSITION | <u><u>\$ 99,146,626</u></u> |

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUND**

For the Year Ended April 30, 2015

| | Business-Type Activities Water and Sewer |
|--|---|
| OPERATING REVENUES | |
| Charges for services | \$ 14,360,877 |
| Fines and fees | 1,083,631 |
| Reimbursements | 80,040 |
| Total operating revenues | 15,524,548 |
| OPERATING EXPENSES EXCLUDING DEPRECIATION | |
| Operations | 11,906,782 |
| OPERATING INCOME BEFORE DEPRECIATION | 3,617,766 |
| DEPRECIATION | 4,606,299 |
| OPERATING INCOME (LOSS) | (988,533) |
| NON-OPERATING REVENUES (EXPENSES) | |
| Other expenses | (5,521) |
| Grant revenue | 136,620 |
| Property tax rebate | (169,738) |
| Sale of fixed assets | 38,189 |
| Investment income | 300,876 |
| Interest expense | (813,924) |
| Total non-operating revenues (expenses) | (513,498) |
| INCOME (LOSS) BEFORE CONTRIBUTIONS | (1,502,031) |
| CONTRIBUTIONS | 211,426 |
| CHANGE IN NET POSITION | (1,290,605) |
| NET POSITION, MAY 1 | 100,437,231 |
| NET POSITION, APRIL 30 | \$ 99,146,626 |

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Year Ended April 30, 2015

| | Business-Type Activities Water and Sewer |
|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Receipts from customers and users | \$ 15,557,423 |
| Payments to suppliers | (4,362,396) |
| Payments to employees | (3,602,239) |
| Payments to other funds | (3,060,000) |
| Net cash from operating activities | 4,532,788 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| Other expenses | (5,521) |
| Net cash from noncapital financing activities | (5,521) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Capital assets purchased | (454,664) |
| Proceeds from the sale of capital assets | 38,189 |
| Proceeds from the issuance of long-term debt | 1,899,876 |
| Principal payments - general obligation bonds | (1,995,691) |
| Principal payments - note payable | (1,208,892) |
| Payment to escrow agent | (1,899,876) |
| Interest paid | (895,860) |
| Net cash from capital and related financing activities | (4,516,918) |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Purchases of investments | (296,760) |
| Investment income | 300,876 |
| Net cash from investing activities | 4,116 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 14,465 |
| CASH AND CASH EQUIVALENTS, MAY 1 | 2,347,087 |
| CASH AND CASH EQUIVALENTS, APRIL 30 | \$ 2,361,552 |

(This statement is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUND

For the Year Ended April 30, 2015

| | Business-Type Activities Water and Sewer |
|--|---|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES | |
| Operating income (loss) | \$ (988,533) |
| Adjustments to reconcile operating income (loss) to net cash from operating activities | |
| Depreciation | 4,606,299 |
| Other expense | (169,738) |
| (Increase) decrease in Receivables | 183,775 |
| Increase (decrease) in Accounts payable | 938,701 |
| Accrued liabilities | 3,910 |
| Deposits payable | 32,875 |
| Compensated absences payable | (74,501) |
| NET CASH FROM OPERATING ACTIVITIES | \$ 4,532,788 |
| NONCASH TRANSACTIONS | |
| Contributions of capital assets | \$ 211,426 |

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

April 30, 2015

ASSETS

| | |
|-------------------------------------|------------|
| Cash and cash equivalents | \$ 101,795 |
| Investments | |
| U.S. Treasury and agency securities | 15,187,136 |
| Municipal bonds | 649,090 |
| Money market mutual funds | 617,358 |
| Equity mutual funds | 25,269,504 |
| Accrued interest receivable | 80,026 |
| Due from other funds | 8,425 |
| | <hr/> |
| Total assets | 41,913,334 |

LIABILITIES

| | |
|--------------------|---------|
| Accounts payable | 391 |
| Due to other funds | 123,411 |
| | <hr/> |
| Total liabilities | 123,802 |

**NET POSITION HELD IN TRUST
FOR PENSION BENEFITS**

\$ 41,789,532

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

For the Year Ended April 30, 2015

ADDITIONS

Contributions

| | |
|----------|----------------|
| Employer | \$ 1,846,670 |
| Employee | <u>728,354</u> |

| | |
|---------------------|------------------|
| Total contributions | <u>2,575,024</u> |
|---------------------|------------------|

Investment income

| | |
|--|----------------|
| Net appreciation in fair value of investments | 2,362,564 |
| Interest | <u>757,139</u> |

| | |
|-------------------------|------------------|
| Total investment income | <u>3,119,703</u> |
|-------------------------|------------------|

| | |
|-------------------------|------------------|
| Less investment expense | <u>(319,093)</u> |
|-------------------------|------------------|

| | |
|-----------------|------------------|
| Total additions | <u>5,375,634</u> |
|-----------------|------------------|

DEDUCTIONS

| | |
|----------------|--------|
| Administration | 28,176 |
|----------------|--------|

Benefits and refunds

| | |
|----------|--------------|
| Benefits | 1,700,327 |
| Refunds | <u>7,156</u> |

| | |
|------------------|------------------|
| Total deductions | <u>1,735,659</u> |
|------------------|------------------|

| | |
|--------------|-----------|
| NET INCREASE | 3,639,975 |
|--------------|-----------|

**NET POSITION HELD IN TRUST
FOR PENSION BENEFITS**

| | |
|-------|-------------------|
| May 1 | <u>38,149,557</u> |
|-------|-------------------|

| | |
|----------|-----------------------------|
| April 30 | <u><u>\$ 41,789,532</u></u> |
|----------|-----------------------------|

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Romeoville, Illinois (the Village), is located in Will County, Illinois and was first incorporated in 1895 under the provisions of the constitution and general statutes of the State of Illinois. The Village operates under a Board Administrator form of government. The Village Board consists of seven elected members that exercise all powers of the Village but are accountable to their constituents for all their actions. The Village provides the following services as authorized by its charter: public safety (police, fire, civil defense, and emergency medical), highways and streets, culture and recreation, public improvements, planning and zoning, and general administrative services.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village is a municipal corporation governed by an elected board. As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of its operational or financial relationship with the primary government.

Joint Venture

Northern Will County Joint Action Water Agency - The Village entered into an intergovernmental agreement with the Villages of Bolingbrook, Homer Glen, Woodridge, and Lemont on December 13, 2011 to form the Northern Will County Joint Action Water Agency (JAWA). JAWA is a municipal corporation empowered to provide adequate supplies of water on an economic and efficient basis for member municipalities, public water districts, and other incorporated and unincorporated areas within such counties. Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of JAWA beyond its representation on the Board of Directors. The Village has approximately three member water connections, which represents 0.01% of total member water connections.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

The Village's financial statements include two pension trust funds:

Police Pension Employees Retirement System

The Village's 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 pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The Village and PPERS participants are obligated to fund all 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. The PPERS is reported as a pension trust fund because of the Village's fiduciary responsibility.

Firefighters' Pension Employee Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension System (FPERS). The FPERS functions for the benefit of those 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 fire employees constitute the pension board. The Village and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. The FPERS is reported as a pension trust fund because of the Village's fiduciary responsibility.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental, proprietary, and fiduciary.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Governmental funds are used to account for substantially all of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds restricted, committed, or assigned for the acquisition or construction of capital assets (capital projects funds), and the funds restricted, committed, or assigned for the servicing of long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statements of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these financial statements, except for interfund services. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The services which are administered by the Village and accounted for in the General Fund include general government, public works, culture and recreation, and public safety.

The Recreation Fund accounts for property taxes that are legally restricted for recreation purposes as well as other taxes and charges for services that are assigned for recreation purposes. The Village has elected to present this fund as a major fund.

The Facility Construction Fund accounts for the cost of construction of new facilities in the Village, including the new Village Hall. The Village has elected to present this fund as a major fund.

The Downtown TIF Fund accounts for the resources that are legally restricted for the redevelopment of the areas that fall within the TIF District boundaries which includes the Uptown Square Center. The revenue in this fund is mainly from funds imported from the contiguous Marquette TIF along with the collection of the TIF property tax increment created from the increase in the value of property within the district. The Village has elected to present this fund as a major fund.

The Village reports the following major proprietary fund:

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

The Village reports the following fiduciary funds:

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and the Firefighters' Pension Fund.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period and income taxes which uses a 90 to 120-day period. The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Sales taxes owed to the state at year end, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Income and motor fuel taxes and fines collected and held by the state or county at year end on behalf of the Village also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Basis of Presentation
(Continued)

The Village reports unearned/unavailable/deferred revenue on its financial statements. Unearned/unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues also arise when resources are received by the government before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability or deferred inflow of resources for unearned/unavailable/deferred revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider their equity in pooled cash and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of one year or less when purchased are stated at cost or amortized cost. Investments with a maturity greater than one year and all pension fund investments are stated at fair value.

f. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

g. Inventories

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

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

i. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm water), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$25,000 for machinery and equipment, \$100,000 for property or building improvements, and \$150,000 for infrastructure and an estimated useful life in excess of one year. Easements are defined by the Village as assets with an initial, individual cost of more than \$100,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

| Assets | Years |
|----------------------------|-------|
| Buildings and improvements | 40 |
| Machinery and equipment | 5-20 |
| Furniture and fixtures | 5-20 |
| Vehicles | 5-10 |
| Infrastructure | 15-50 |
| Other equipment | 5-20 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences

Vested or accumulated vacation and vested sick leave is reported as an expenditure and a fund liability of the governmental (General) fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation of proprietary funds and governmental activities are recorded as an expense and liability of those funds as the benefits accrue to employees.

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds 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 financial statements. Bond premiums and discounts and gains/losses on refundings are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount and gains/losses on refundings. Issuance costs are reported as expenses.

In the fund financial statements, governmental funds 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 expenditures.

l. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village Board, which is considered the Village's highest level of decision-making authority. Formal actions include resolutions and ordinances (equally binding) approved by the Village. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. Although there is no formal policy, the authority to assign fund balance has been delegated to the Village's Director of Finance consistent with the intentions of the Village Board. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Fund Balances/Net Position (Continued)

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels or unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

m. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so it will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period these amounts become available.

n. Interfund Transactions

Interfund services are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund'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.

a. Village Deposits and Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value), and Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The Village's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and yield.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy does not specifically address custodial credit risk.

Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2015:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|-------------------------------------|----------------------|----------------------------------|----------------------|-------------------|---------------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| Certificate of deposit - negotiable | \$ 1,068,795 | \$ 666,650 | \$ 402,145 | \$ - | \$ - |
| U.S. Treasury notes | 1,750,358 | - | 1,215,077 | 535,281 | - |
| U.S. agencies - FFCB | 650,059 | - | 650,059 | - | - |
| U.S. agencies - FHLB | 1,197,756 | - | 1,197,756 | - | - |
| U.S. agencies - FHLMC | 968,171 | - | 425,011 | - | 543,160 |
| U.S. agencies - FNMA | 4,850,660 | - | 2,366,920 | 201,699 | 2,282,041 |
| Bond mutual funds | 1,054,131 | - | 1,054,131 | - | - |
| IMET | 9,903,299 | - | 9,903,299 | - | - |
| TOTAL | \$ 21,443,229 | \$ 666,650 | \$ 17,214,398 | \$ 736,980 | \$ 2,825,201 |

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in shorter-term securities, money market funds, or similar investment pools. To the extent possible, the Village shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than five years from the date of purchase in accordance with state and local statutes and ordinances.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk limiting investments to the safest types of securities; prequalifying the financial institutions, intermediaries and advisors with which the Village will conduct business; and diversifying the investment portfolio so that potential losses on individual investments will be minimized. IMET and Illinois Funds are rated AAA. U.S. agency obligations are rated AA+ to AAA. The bond mutual fund is not rated.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third party custodian and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds, IMET, and the bond mutual funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village limits its exposure by limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); limiting investment in securities that have higher credit risks; investing in securities with varying maturities; and continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPS) or money market funds to ensure that proper liquidity is maintained in order to meet ongoing obligations.

3. RECEIVABLES

a. Property Taxes

Property taxes for 2014 attach as an enforceable lien on January 1, 2014, 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 issued on or about May 1, 2015, and are payable in two installments, on or about June 1, 2015 and September 1, 2015. Tax increment financing (TIF) property tax receipts are received in two installments similar to levied taxes described above. TIF property taxes are not levied, but are paid by the County from the incremental property tax receipts of all taxing bodies within a TIF District. The County collects such taxes and remits them periodically. As the 2014 tax levy is intended to fund expenditures for the 2015-2016 fiscal year, these taxes are deferred as of April 30, 2015.

The 2015 tax levy, which attached as an enforceable lien on property as of January 1, 2015, has not been recorded as a receivable as of April 30, 2015 as the tax has not yet been levied by the Village and will not be levied until December 2015 and, therefore, the levy is not measurable at April 30, 2015.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES (Continued)

b. Other Receivables

Other receivables are comprised of the following at April 30, 2015:

| Description | General | Recreation | Local Gas Tax | Total |
|--------------------------|---------------------|------------------|------------------|---------------------|
| Replacement taxes | \$ 32,775 | \$ - | \$ - | \$ 32,775 |
| Water utility | 21,957 | - | - | 21,957 |
| Franchise fees | 132,544 | - | - | 132,544 |
| Utility taxes | 648,847 | - | - | 648,847 |
| Real estate transfer tax | - | - | - | - |
| Home rule gas tax | 62,913 | - | 62,913 | 125,826 |
| Food and beverage tax | 119,434 | - | - | 119,434 |
| NSF checks | - | - | - | - |
| Earnest money | - | - | - | - |
| Hotel/motel tax | - | 50,432 | - | 50,432 |
| | <u>\$ 1,018,470</u> | <u>\$ 50,432</u> | <u>\$ 62,913</u> | <u>\$ 1,131,815</u> |

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2015 was as follows:

| | Balances May 1 | Increases | Decreases | Balances April 30 |
|--|--------------------|-------------------|-------------------|----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 192,306,629 | \$ 170,000 | \$ - | \$ 192,476,629 |
| Construction in progress | 12,660,793 | 1,275,745 | 13,735,374 | 201,164 |
| Total capital assets not being depreciated | <u>204,967,422</u> | <u>1,445,745</u> | <u>13,735,374</u> | <u>192,677,793</u> |
| Capital assets being depreciated | | | | |
| Buildings and improvements | 68,390,887 | 13,712,643 | - | 82,103,530 |
| Machinery and equipment | 5,171,999 | - | - | 5,171,999 |
| Furniture and fixtures | 1,808,387 | - | - | 1,808,387 |
| Vehicles | 8,678,814 | 442,470 | - | 9,121,284 |
| Infrastructure | 180,519,621 | 138,345 | 489,063 | 180,168,903 |
| Total capital assets being depreciated | <u>264,569,708</u> | <u>14,293,458</u> | <u>489,063</u> | <u>278,374,103</u> |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

| | Balances May 1 | Increases | Decreases | Balances April 30 |
|--|--------------------|------------------|-------------------|----------------------|
| GOVERNMENTAL ACTIVITIES (Continued) | | | | |
| Less accumulated depreciation for | | | | |
| Buildings and improvements | \$ 16,637,847 | \$ 2,170,222 | \$ - | \$ 18,808,069 |
| Machinery and equipment | 2,350,308 | 274,797 | - | 2,625,105 |
| Furniture and fixtures | 1,532,609 | 54,610 | - | 1,587,219 |
| Vehicles | 7,033,714 | 389,947 | - | 7,423,661 |
| Infrastructure | 83,066,006 | 5,726,300 | 24,453 | 88,767,853 |
| Total accumulated depreciation | 110,620,484 | 8,615,876 | 24,453 | 119,211,907 |
| Total capital assets being depreciated, net | 153,949,224 | 5,677,582 | 464,610 | 159,162,196 |
| GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET | \$ 358,916,646 | \$ 7,123,327 | \$ 14,199,984 | \$ 351,839,989 |

Depreciation expense was charged to functions/programs of the governmental activities as follows:

| | | |
|---|--|---------------------|
| GOVERNMENTAL ACTIVITIES | | |
| General government | | \$ 1,159,798 |
| Public safety | | 1,134,954 |
| Public works | | 5,791,462 |
| Culture and recreation | | 529,662 |
| TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES | | \$ 8,615,876 |

| | Balances May 1 | Increases | Decreases | Balances April 30 |
|---|-------------------|-----------|-----------|----------------------|
| BUSINESS-TYPE ACTIVITIES | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 20,728 | \$ - | \$ - | \$ 20,728 |
| Construction in progress | 1,168,506 | 7,912 | 1,176,418 | - |
| Total capital assets not being depreciated | 1,189,234 | 7,912 | 1,176,418 | 20,728 |
| Capital assets being depreciated | | | | |
| Buildings and improvements | 4,310,077 | - | - | 4,310,077 |
| Machinery and equipment | 6,182,971 | - | - | 6,182,971 |
| Vehicles | 3,422,614 | 445,146 | - | 3,867,760 |
| Infrastructure | 166,182,160 | 1,389,450 | - | 167,571,610 |
| Other equipment | 910,541 | - | - | 910,541 |
| Total capital assets being depreciated | 181,008,363 | 1,834,596 | - | 182,842,959 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

| | Balances May 1 | Increases | Decreases | Balances April 30 |
|---|-------------------|----------------|--------------|----------------------|
| BUSINESS-TYPE ACTIVITIES (Continued) | | | | |
| Less accumulated depreciation for | | | | |
| Buildings and improvements | \$ 950,382 | \$ 167,426 | \$ - | \$ 1,117,808 |
| Machinery and equipment | 5,984,385 | 71,567 | - | 6,055,952 |
| Vehicles | 2,391,307 | 379,159 | - | 2,770,466 |
| Infrastructure | 51,230,742 | 3,947,622 | - | 55,178,364 |
| Other equipment | 802,745 | 40,525 | - | 843,270 |
| Total accumulated depreciation | 61,359,561 | 4,606,299 | - | 65,965,860 |
| Total capital assets being depreciated, net | 119,648,802 | (2,771,703) | - | 116,877,099 |
| BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET | \$ 120,838,036 | \$ (2,763,791) | \$ 1,176,418 | \$ 116,897,827 |

5. 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; injuries to employees; employee health; and natural disasters.

The Village is a member of the Southwest Agency for Risk Management (SWARM) which is a public entity risk pool with eight member groups (villages and cities). The Village pays annual premiums to SWARM for its workers' compensation, general liability, and property coverages.

The cooperative agreement provides that SWARM will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$600,000 per occurrence for workers' compensation and \$50,000 for occurrences for general liability and \$50,000 for occurrences for property.

One representative from each member serves on the SWARM board and each board member has one vote on the board. None of its members have any direct equity interest in SWARM.

The Village purchases commercial insurance to cover its employees for health and accident claims.

The Village has not had significant reductions in insurance coverage from the previous fiscal year nor did settlements exceed insurance coverage in any of the last three years.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. These bonds, therefore, are reported in the proprietary funds if they are expected to be repaid from proprietary revenues. In addition, general obligation bonds have been issued to refund both general obligation bonds and revenue bonds.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village.

b. Governmental Activities

The following is a summary of long-term obligation activity for the Village associated with governmental activities for the year ended April 30, 2015:

| | Balances May 1 | Additions | Reductions | Balances April 30 | Due Within One Year |
|---|-----------------------|----------------------|----------------------|-----------------------|---------------------------|
| General obligation bonds | \$ 54,870,548 | \$ 7,308,233 | \$ 12,549,433 | \$ 49,629,348 | \$ 5,059,736 |
| General obligation capital appreciation bonds | 49,020,718 | 2,743,540 | - | 51,764,258 | - |
| Unamortized bond premiums | 667,861 | 677,639 | 390,294 | 955,206 | - |
| Capital leases | 966,495 | - | 207,140 | 759,355 | 165,855 |
| Note payable | - | 2,747,915 | 978,125 | 1,769,790 | 75,000 |
| Compensated absences* | 3,970,473 | 877,784 | 1,320,474 | 3,527,783 | 1,063,303 |
| Net pension obligation* | 1,564,294 | 12,872 | - | 1,577,166 | - |
| TOTAL | \$ 111,060,389 | \$ 14,367,983 | \$ 15,445,466 | \$ 109,982,906 | \$ 6,363,894 |

*The General Fund resources are used to liquidate these liabilities.

c. Business-Type Activities

The following is a summary of long-term obligation activity for the Village with business-type activities for the year ended April 30, 2015:

| | Balances May 1 | Additions | Reductions | Balances April 30 | Due Within One Year |
|---------------------------|----------------------|---------------------|---------------------|----------------------|---------------------------|
| General obligation bonds | \$ 9,754,452 | \$ 1,886,767 | \$ 3,895,567 | \$ 7,745,652 | \$ 2,065,264 |
| Note payable | 19,990,652 | - | 1,208,892 | 18,781,760 | 1,239,303 |
| Unamortized bond premiums | 140,122 | 13,109 | 44,307 | 108,924 | - |
| Compensated absences | 362,211 | 97,969 | 172,470 | 287,710 | 195,241 |
| TOTAL | \$ 30,247,437 | \$ 1,997,845 | \$ 5,321,236 | \$ 26,924,046 | \$ 3,499,808 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities

| | Fund Debt Retired by | Balances May 1 | Additions | Refundings/ Reductions | Balances April 30 | Due Within One Year |
|--|--|-------------------|-----------|---------------------------|----------------------|---------------------------|
| General Obligation Bonds | | | | | | |
| General Obligation Refunding Bonds, Series 2004, dated September 15, 2004 provide for the serial retirement of bonds on December 30, 2010 through December 30, 2024 in amounts between \$425,000 and \$2,235,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.75% to 5.00%. | Debt Service/ Water and Sewer | \$ 12,930,000 | \$ | - \$ 11,855,000 | \$ 1,075,000 | \$ 1,075,000 |
| General Obligation Refunding Bonds, Series 2005, dated September 15, 2005 provide for the serial retirement of bonds on December 15, 2010 through December 15, 2015 in amounts between \$285,000 and \$330,000. Interest is due on June 15 and December 15 of each year at rates varying from 3.25% to 3.60%. | Water and Sewer | 655,000 | - | 325,000 | 330,000 | 330,000 |
| General Obligation Refunding Bonds, Series 2007A, dated November 15, 2007, provide for the serial retirement of bonds on December 30, 2010 through December 30, 2017 in amounts between \$540,000 and \$675,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.75% to 5.25%. | Water and Sewer | 2,525,000 | - | 590,000 | 1,935,000 | 620,000 |
| General Obligation Refunding Bonds, Series 2007B, dated November 15, 2007, provide for the serial retirement of bonds on December 30, 2017 through December 30, 2020 in amounts between \$2,000,000 and \$4,750,000. Interest is due on June 30 and December 30 of each year at rates varying from 4.000% to 4.375%. | Debt Service | 12,900,000 | - | - | 12,900,000 | - |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

| | Fund Debt Retired by | Balances May 1 | Additions | Refundings/ Reductions | Balances April 30 | Due Within One Year |
|--|----------------------------|-------------------|-----------|---------------------------|----------------------|---------------------------|
| General Obligation Bonds (Continued) | | | | | | |
| General Obligation Bonds, Series 2008A, dated June 30 2008, provide for the serial retirement of bonds on December 20, 2010 through December 30, 2020 in amounts between \$400,000 and \$2,050,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.250% to 4.125%. | Debt Service | \$ 8,100,000 | \$ - | \$ 1,175,000 | \$ 6,925,000 | \$ 1,575,000 |
| General Obligation Refunding Bonds, Series 2008C, dated November 3, 2008, provide for the serial retirement of bonds on December 30, 2010 through December 30, 2018 in amounts between \$325,000 and \$1,245,000. Interest is due on June 30 and December 30 each year at rates varying from 3.5% to 4.0%. | Water and Sewer | 3,525,000 | - | 375,000 | 3,150,000 | 400,000 |
| General Obligation Bonds, Series 2009, dated May 4, 2009, provide for the serial retirement of bonds on December 30, 2010 through December 30, 2029 in amounts between \$205,000 and \$510,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.000% to 4.375%. | Debt Service | 5,820,000 | - | 245,000 | 5,575,000 | 260,000 |
| General Obligation Refunding Bonds, Series 2010, dated June 7, 2010, provide for the serial retirement of bonds on December 30, 2010 through December 30, 2014 in amounts between \$65,000 and \$650,000. Interest is due on June 30 and December 30 of each year at rates varying from 2.0% to 2.5%. | Debt Service | 570,000 | - | 570,000 | - | - |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

| | Fund Debt Retired by | Balances May 1 | Additions | Refundings/ Reductions | Balances April 30 | Due Within One Year |
|---|----------------------------|-------------------|-----------|---------------------------|----------------------|---------------------------|
| General Obligation Bonds (Continued) | | | | | | |
| General Obligation Refunding Bonds, Series 2012A, dated October 10, 2012, provide for the serial retirement of bonds on December 30, 2012 through December 30, 2017 in amounts between \$170,000 and \$210,000. Interest is due on June 30 and December 30 of each year at rates of 2%. | Debt Service | \$ 780,000 | \$ - | \$ 200,000 | \$ 580,000 | \$ 200,000 |
| General Obligation Refunding Bonds, Series 2012B, dated October 10, 2012, provide for the serial retirement of bonds on December 30, 2012 through December 30, 2017 in amounts between \$535,000 and \$645,000. Interest is due on June 30 and December 30 of each year at rates of 2%. | Debt Service | 1,775,000 | - | - | 1,775,000 | 535,000 |
| General Obligation Bonds, Series 2013A, dated July 30, 2013, provide for the serial retirement of bonds on December 30, 2014 through December 30, 2024 in amounts between \$605,000 and \$1,380,000. Interest is due on June 30 and December 30 of each year at rates of 2.5% to 4.1%. | Downtown TIF | 12,870,000 | - | 1,110,000 | 11,760,000 | 1,120,000 |
| General Obligation Bonds, Series 2013B, dated July 30, 2013, provide for the retirement of bonds on December 30, 2024 and December 30, 2025 in amounts of \$725,000 and \$1,450,000. Interest is due on June 30 and December 30 of each year at rates of 4%. | Downtown TIF | 2,175,000 | - | - | 2,175,000 | - |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

| | Fund Debt Retired by | Balances May 1 | Additions | Refundings/ Reductions | Balances April 30 | Due Within One Year |
|--|--|-----------------------|----------------------|---------------------------|-----------------------|---------------------------|
| General Obligation Bonds (Continued) | | | | | | |
| General Obligation Refunding Bonds, Series 2014, dated November 3, 2014, provide for the retirement of bonds on December 30, 2015 through December 30, 2024 in amounts between \$370,000 and \$2,220,000. Interest is due on June 30 and December 30 of each year at rates varying from of 3% to 4%. | Debt Service/ Water and Sewer | \$ - | \$ 9,195,000 | \$ - | \$ 9,195,000 | \$ 1,010,000 |
| Total General Obligation Bonds | | 64,625,000 | 9,195,000 | 16,445,000 | 57,375,000 | 7,125,000 |
| General Obligation (Capital Appreciation) Bonds, Series 2008B Bonds, dated June 30, 2008, provide for the serial retirement of bonds on December 30, 2021 through December 30, 2039 in amounts including interest between \$5,500,000 and \$6,500,000. Interest rates vary from 5.12% to 5.85% (includes accreted interest of \$12,684,834). | Debt Service | 49,020,718 | 2,743,540 | - | 51,764,258 | - |
| Capital leases | General/ Recreation Fund | 966,495 | - | 207,140 | 759,355 | 165,855 |
| Note Payable, dated August 1, 2008, provides for retirement of principal on December 1 and June 1 of each year in the annual amounts between \$1,642,834 and \$1,701,150, including interest at 2.5% through December 1, 2027. | Water and Sewer | 19,990,652 | - | 1,208,892 | 18,781,760 | 1,239,303 |
| Note Payable, dated March 5, 2015, provides for retirement of principal on December 31 of each year in annual amounts between \$75,000 and \$1,319,790, including interest at 0% through December 31, 2021. | General Fund | - | 2,747,915 | 978,125 | 1,769,790 | 75,000 |
| TOTAL | | \$ 134,602,865 | \$ 14,686,455 | \$ 18,839,157 | \$ 130,450,163 | \$ 8,605,158 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

e. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

| Fiscal Year | Governmental Activities | | | |
|--------------|--------------------------|---------------------|---------------------|-------------|
| | General Obligation Bonds | | Note Payable | |
| | Principal | Interest | Principal | Interest |
| 2016 | \$ 5,059,736 | \$ 1,846,432 | \$ 75,000 | \$ - |
| 2017 | 5,675,606 | 1,650,198 | 75,000 | - |
| 2018 | 6,384,006 | 1,469,939 | 75,000 | - |
| 2019 | 6,220,000 | 1,268,665 | 75,000 | - |
| 2020 | 6,835,000 | 1,045,315 | 75,000 | - |
| 2021 | 7,165,000 | 774,990 | 75,000 | - |
| 2022 | 2,050,000 | 483,228 | 1,319,790 | - |
| 2023 | 2,115,000 | 411,728 | - | - |
| 2024 | 2,180,000 | 331,163 | - | - |
| 2025 | 2,170,000 | 245,343 | - | - |
| 2026 | 1,870,000 | 157,538 | - | - |
| 2027 | 440,000 | 82,212 | - | - |
| 2028 | 465,000 | 63,512 | - | - |
| 2029 | 490,000 | 43,750 | - | - |
| 2030 | 510,000 | 22,312 | - | - |
| TOTAL | \$ 49,629,348 | \$ 9,896,325 | \$ 1,769,790 | \$ - |

Annual debt service requirements to maturity are as follows:

| Fiscal Year | Business-Type Activities | | | |
|--------------|--------------------------|-------------------|----------------------|---------------------|
| | General Obligation Bonds | | Note Payable | |
| | Principal | Interest | Principal | Interest |
| 2016 | \$ 2,065,264 | \$ 317,688 | \$ 1,239,303 | \$ 461,846 |
| 2017 | 2,174,394 | 233,100 | 1,270,480 | 430,670 |
| 2018 | 2,260,994 | 148,742 | 1,302,440 | 398,710 |
| 2019 | 1,245,000 | 49,800 | 1,335,205 | 365,945 |
| 2020 | - | - | 1,368,793 | 332,356 |
| 2021 | - | - | 1,403,227 | 297,923 |
| 2022 | - | - | 1,438,527 | 262,623 |
| 2023 | - | - | 1,474,715 | 226,435 |
| 2024 | - | - | 1,511,813 | 189,337 |
| 2025 | - | - | 1,549,845 | 151,305 |
| 2026 | - | - | 1,588,833 | 112,317 |
| 2027 | - | - | 1,628,802 | 72,348 |
| 2028 | - | - | 1,669,777 | 31,373 |
| TOTAL | \$ 7,745,652 | \$ 749,330 | \$ 18,781,760 | \$ 3,333,188 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

e. Debt Service Requirements to Maturity (Continued)

| Fiscal Year | General Obligation Capital Appreciation Bonds Payable from Governmental Activities | |
|-------------|--|------------------------|
| | Accretion | Principal Repayment |
| 2016 | \$ 2,897,318 | \$ - |
| 2017 | 3,059,729 | - |
| 2018 | 3,231,257 | - |
| 2019 | 3,412,414 | - |
| 2020 | 3,603,743 | - |
| 2021 | 3,805,816 | - |
| 2022 | 4,019,235 | 5,500,000 |
| 2023 | 3,959,435 | 6,000,000 |
| 2024 | 3,866,033 | 6,000,000 |
| 2025 | 3,764,213 | 6,000,000 |
| 2026 | 3,652,724 | 6,500,000 |
| 2027 | 3,503,925 | 6,500,000 |
| 2028 | 3,344,059 | 6,500,000 |
| 2029 | 3,172,353 | 6,500,000 |
| 2030 | 2,987,981 | 6,500,000 |
| 2031 | 2,790,732 | 6,500,000 |
| 2032 | 2,579,737 | 6,500,000 |
| 2033 | 2,354,742 | 6,500,000 |
| 2034 | 2,116,166 | 6,500,000 |
| 2035 | 1,863,193 | 6,500,000 |
| 2036 | 1,594,950 | 6,500,000 |
| 2037 | 1,310,520 | 6,500,000 |
| 2038 | 1,008,928 | 6,500,000 |
| 2039 | 689,149 | 6,500,000 |
| 2040 | 347,390 | 6,200,000 |
| TOTAL | \$ 68,935,742 | \$ 120,700,000 |

f. Capital Lease Obligation

The Village leases vehicles and other equipment under capital leases, which expire between March 2016 and August 2022. Annual lease payments, including interest ranging from 0.00% to 6.39%, range from \$2,806 to \$49,507. The cost of the capital assets acquired under capital leases was \$1,243,739, all of which is included in governmental activities vehicles and machinery and equipment.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

f. Capital Lease Obligation (Continued)

Minimum future lease payments under the capital lease together with the present value of the net minimum lease payments as of April 30, 2015 are as follows:

| Fiscal Year Ending April 30, | Payment |
|--|------------|
| 2016 | \$ 182,605 |
| 2017 | 152,896 |
| 2018 | 152,898 |
| 2019 | 113,999 |
| 2020 | 75,109 |
| 2021 | 49,507 |
| 2022 | 49,507 |
| 2023 | 49,507 |
| Total minimum lease payments | 826,028 |
| Less amount representing interest | (66,673) |
| Present value of future minimum lease payments | 759,355 |
| Less current portion | (165,855) |
| LONG-TERM PORTION | \$ 593,500 |

g. Legal Debt Margin

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 General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property ... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: ... indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum ... shall not be included in the foregoing percentage amounts.”

To date, the General Assembly has set no limits for home rule municipalities.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

h. Conduit Debt

In a prior fiscal year, the Village issued Adjustable Rate Demand Revenue Bonds to Lewis University (the University) for the purpose of financing. These bonds are collateralized only by the revenue of the University and are not considered liabilities or contingent liabilities of the Village. The principal amount of the series could not be determined; however, the original issue amount of the bonds was \$44,950,000.

In a prior fiscal year, the Village issued Revenue Bonds to the University for the purpose of financing. These bonds are collateralized only by the revenue of the University and are not considered liabilities or contingent liabilities of the Village. The principal amount of the series could not be determined; however, the original issue amount of the bonds was \$24,300,000.

On March 17, 2015, the Village issued Revenue Bonds to the University for the purposes of financing and partially refunding \$18,520,000 worth of the 2006 Revenue Bonds issued to the University. These bonds are collateralized only by the revenue of the University and are not considered liabilities or contingent liabilities of the Village. The original issue amount of the bonds was \$38,995,000.

In a prior fiscal year, the Village issued Industrial Development Revenue Bonds to CGI Real Estate, LLC (the Company) for the purpose of financing. These bonds are collateralized only by the revenue of the Company and are not considered liabilities or contingent liabilities of the Village. The principal amount of the series could not be determined; however, the original issue amount of the bonds was \$5,500,000.

i. Advance Refunding

On November 3, 2014, the Village issued \$9,195,000 General Obligation Bonds, the proceeds of which were placed in an irrevocable escrow, to advance refund \$9,760,000 of the outstanding 2004 General Obligation Refunding Bonds. As a result of the refunding, the Village realized a cash flow savings of \$1,149,922 and an economic gain of \$1,048,773. The refunded bonds were called and retired on December 30, 2014.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INDIVIDUAL FUND DISCLOSURES

a. Interfund Transactions

Due from/to other funds at April 30, 2015 consist of the following:

| Fund | Due From | Due To |
|------------------------|-------------------|-------------------|
| General | \$ 214,012 | \$ 8,425 |
| Downtown TIF | - | 75,223 |
| Nonmajor Governmental | | |
| Motor Fuel Tax | - | 200,683 |
| Local Gas Tax | 200,683 | - |
| Debt Service | - | 15,378 |
| Fiduciary | | |
| Police Pension | 8,425 | - |
| Firefighters' Pension | - | 123,411 |
| TOTAL ALL FUNDS | \$ 423,120 | \$ 423,120 |

b. Transfers

Transfers between funds during the year were as follows:

| Fund | Transfers In | Transfers Out |
|------------------------|----------------------|----------------------|
| General | \$ 30,000 | \$ 9,627,668 |
| Recreation | 1,236,850 | 351,200 |
| Downtown TIF | 1,798,448 | - |
| Facility Construction | 4,288,965 | - |
| Nonmajor Governmental | | |
| Marquette Center TIF | - | 1,665,000 |
| Motor Fuel Tax | - | 30,000 |
| Debt Service | 4,319,605 | - |
| TOTAL ALL FUNDS | \$ 11,673,868 | \$ 11,673,868 |

The purposes of significant interfund transfers are as follows:

- \$1,236,850 transferred from the General Fund to the Recreation Fund to support recreation department projects and costs.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Transfers (Continued)

- \$133,448 transferred from the Recreation Fund to the Downtown TIF Fund to reimburse the Downtown TIF Fund for TIF-eligible costs incurred by that fund for specialized sports flooring utilized by the Athletic and Event Center.
- \$4,101,853 transferred from the General Fund to the Debt Service Fund to lessen the property tax burden on residents.
- \$4,288,965 transferred from the General Fund to the Facility Construction Fund to limit the fluctuation of General Fund balance and to support capital and construction projects including construction of the new Fire Station.
- \$1,665,000 transferred from the Marquette Center TIF District Fund to the Downtown TIF District Fund for various TIF related projects. The main financing mechanism for the Downtown TIF District Fund will be the Marquette TIF District Fund.
- \$217,752 transferred from the Recreation Fund to the Debt Service Fund to lessen the property tax burden on residents.

8. DEVELOPMENT ASSISTANCE

The Village has entered into various agreements with private organizations to encourage economic development in the Village. These agreements provide for rebating a portion of sales and food and beverage taxes to the private organizations if certain benchmarks of development are achieved. During the fiscal year ended April 30, 2015, approximately \$1,389,289 in sales and food and beverage tax rebates were incurred under these agreements. Future contingent rebates of approximately \$15,544,408 in sales and food and beverage taxes may be rebated if certain criteria are met in future years.

9. CONTINGENT LIABILITIES

a. Litigation

The Village has been sued by an entity claiming damages related to a ruptured oil pipeline in September 2010. A motion to dismiss was denied on September 25, 2012. The Village has been advised by legal counsel that it will aggressively defend the lawsuit. The likelihood of an unfavorable outcome is estimated at less than 50%. The estimate of potential loss is not determinable as of the date of the issuance of this financial report.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. CONTINGENT LIABILITIES (Continued)

b. 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.

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions, and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's governmental and business-type activities.

b. Benefits Provided

The Village provides pre and post-Medicare postretirement health insurance to retirees, their spouses, and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

c. Membership

At April 30, 2014, the most recent information available, membership consisted of:

| | |
|---|------------|
| Retirees and beneficiaries currently receiving benefits | 20 |
| Terminated employees entitled to benefits but not yet receiving them | - |
| Active employees | <u>213</u> |
| TOTAL | <u>233</u> |
| Participating employers | <u>1</u> |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Funding Policy

The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the Plan until retirement.

e. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2015 was as follows:

| Fiscal Year Ended | Annual OPEB Cost | Employer Contributions | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-------------------------|------------------------|---------------------------|--|------------------------|
| April 30, 2013 | \$ 131,334 | \$ 146,850 | 111.81% | \$ (156,451) |
| April 30, 2014 | 131,230 | 156,196 | 119.02% | (181,417) |
| April 30, 2015 | 152,866 | 156,196 | 102.18% | (184,747) |

The net OPEB obligation as of April 30, 2015 was calculated as follows:

| | |
|--|---------------------|
| Annual required contribution | \$ 154,076 |
| Interest on net OPEB obligation (asset) | (7,257) |
| Adjustment to annual required contribution | <u>6,047</u> |
| Annual OPEB cost | 152,866 |
| Contributions made | <u>156,196</u> |
| Increase in net OPEB obligation (asset) | (3,330) |
| Net OPEB obligation (asset), beginning of year | <u>(181,417)</u> |
| NET OPEB OBLIGATION (ASSET), END OF YEAR | <u>\$ (184,747)</u> |

Funded Status and Funding Progress: The funded status and funding progress of the Plan as of April 30, 2014 was as follows:

| | |
|---|---------------|
| Actuarial accrued liability (AAL) | \$ 2,431,930 |
| Actuarial value of plan assets | - |
| Unfunded actuarial accrued liability (UAAL) | 2,431,930 |
| Funded ratio (actuarial value of plan assets/AAL) | 0.00% |
| Covered payroll (active plan members) | \$ 15,742,417 |
| UAAL as a percentage of covered payroll | 15.45% |

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

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

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

In the April 30, 2014 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 4% and an initial healthcare cost trend rate of 7.5% with an ultimate healthcare inflation rate of 5.5%. Both rates include a 3% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2015 was 30 years.

11. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police or Firefighters' 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. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contributions for the calendar year ended December 31, 2014 was 11.88% of covered payroll.

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by ILCS (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village's Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Membership

At April 30, 2015, most recent information available, the Police Pension Plan membership consisted of:

| | |
|---|-----------|
| Inactive plan members or beneficiaries currently receiving benefits | 26 |
| Inactive plan members entitled to but not yet receiving benefits | 1 |
| Active plan members | <u>62</u> |
| TOTAL | <u>89</u> |

Benefits Provided

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired as a police officer prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half 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% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% 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% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten 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 officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}\%$ 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% or $\frac{1}{2}$ 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 Police Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2015, the Village's contribution was 27.42% of covered payroll.

Investment Policy

The Police Pension Fund's (the Fund) investment policy authorizes the Police Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, and Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value).

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

It is the policy of the Fund to invest its funds with care, skill, prudence, and diligence, using the “prudent person” standard for managing the overall portfolio.

The Fund’s investment policy in accordance with ILCS establishes the following target allocation across asset classes:

| Asset Class | Target | Long-Term Expected Real Rate of Return |
|---------------------------|--------|--|
| Large Cap Domestic Equity | 30% | 7.0% |
| Small Cap Domestic Equity | 35% | 9.1% |
| Fixed Income | 35% | 2.2% |

The Long-Term Expected Real Rate of Returns for the asset classes above are calculated on a geometric mean basis and are net of inflation and investment expense. Asset class returns are from the *Stocks, Bonds, Bills and Inflation 2014 Yearbook - Morningstar* for the period December 31, 1925 through December 31, 2014.

Investment Valuations

All pension fund investments are stated at fair value.

Investment 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 7.52%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

The Fund’s investment policy requires deposits to be insured by the Federal Deposit Insurance Corporation (FDIC).

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2015:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|-----------------------|----------------------|----------------------------------|-------------|-------------|----------------------|
| | | Less Than 1 | 1-5 | 6-10 | Greater Than 10 |
| U.S. agencies - FNMA | \$ 2,907,409 | \$ - | \$ - | \$ - | \$ 2,907,409 |
| U.S. agencies - FHLMC | 855,442 | - | - | - | 855,442 |
| U.S. agencies - GNMA | 7,416,672 | - | - | - | 7,416,672 |
| TOTAL | \$ 11,179,523 | \$ - | \$ - | \$ - | \$ 11,179,523 |

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Fund's investment policy does not specifically address interest rate risk. The Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

Credit Risk

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Fund 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 Fund's investment policy does not specifically address credit risk.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. The Fund investment policy requires brokers reporting to the Federal Reserve Bank of New York or local (Chicago Area) brokers meeting the standards set forth by the Federal Reserve Bank. Pursuant to ILCS Chapter 108 1/2, Article 1-113 at Paragraph 16. All investments of the Police Pension Fund shall be clearly held to indicate ownership by the Fund.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Net Pension Liability

The components of the net pension liability of the Police Pension Plan as of April 30, 2015 calculated in accordance with GASB Statement No. 67 were as follows:

| | | |
|---|----|------------|
| Total pension liability | \$ | 54,569,105 |
| Plan fiduciary net position | | 34,393,186 |
| Village's net pension liability | | 20,175,919 |
| Plan fiduciary net position as a percentage of the total pension liability | | 63.03% |

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.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

| | |
|----------------------------|----------------------------------|
| Actuarial valuation date | April 30, 2015 |
| Actuarial cost method | Entry-age normal |
| Assumptions | |
| Inflation | 2.50% |
| Salary increases | 5.50% |
| Interest rate of return | 7.00% |
| Cost of living adjustments | 3.00% (Tier 1) 2.00% (Tier 2) |
| Asset valuation method | Market |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions (Continued)

Mortality rates were based on the RP-2000 CHBCA 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.

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.0% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

| | 1% Decrease (6.0%) | Current Discount Rate (7.0%) | 1% Increase (8.0%) |
|-----------------------|-----------------------|------------------------------------|-----------------------|
| Net pension liability | \$ 28,174,800 | \$ 20,175,919 | \$ 13,613,685 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by ILCS (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village's Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership

At April 30, 2015, most recent information available, the Firefighters' Pension Plan membership consisted of:

| | |
|---|------------------|
| Inactive plan members or beneficiaries currently receiving benefits | 2 |
| Inactive plan members entitled to but not yet receiving them | 1 |
| Active plan members | <u>19</u> |
| TOTAL | <u><u>22</u></u> |

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten 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 covered employee 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% of the original pension and 3% compounded annually thereafter.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}\%$ for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter 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% or $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan. For the year ended April 30, 2015, the Village's contribution was 19.77% of covered payroll.

Investment Policy

The Firefighters' Pension Fund's (the Fund) investment policy authorizes the Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy (Continued)

agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, separate accounts that are managed by life insurance companies, mutual funds, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

It is the policy of the Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and return on investment.

The Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

| Asset Class | Target | Long-Term Expected Real Rate of Return |
|---------------------------|--------|--|
| Large Cap Domestic Equity | 24.5% | 6.8% |
| Small Cap Domestic Equity | 7.0% | 8.9% |
| International Equity | 3.5% | 7.0% |
| Fixed Income | 65.0% | 2.0% |

The Long-Term Expected Real Rate of Returns are net of inflation and investment expense. Long-term returns for the asset classes are calculated on a geometric mean basis. Asset class returns are from *Stocks, Bonds, Bills and Inflation 2014 Yearbook - Morningstar* for the period of December 31, 1925 through December 31, 2014. International Equity = the MSCI EAFE Index December 31, 1976 through December 31, 2014.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Valuations

All pension fund investments are stated at fair value.

Investment 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 6.33%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

The Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance. The Fund shall have a perfected security interest in such securities which shall be free of any claims to the rights to these securities other than any claims by the custodian which are subordinate to the Fund's claims to rights to these securities.

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2015:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|-----------------------|---------------------|----------------------------------|---------------------|---------------------|-------------------|
| | | Less Than 1 | 1-5 | 6-10 | Greater Than 10 |
| U.S. Treasury notes | \$ 715,318 | \$ - | \$ 366,538 | \$ 348,780 | \$ - |
| U.S. agencies - GNMA | 2,055 | - | 1,750 | - | 305 |
| U.S. agencies - FFCB | 1,178,985 | 45,977 | 322,372 | 659,408 | 151,228 |
| U.S. agencies - FHLB | 1,766,057 | 10,291 | 756,779 | 998,987 | - |
| U.S. agencies - FNMA | 76,326 | - | 76,326 | - | - |
| U.S. agencies - FHLMC | 268,872 | - | 150,673 | 118,199 | - |
| Municipal bonds | 649,090 | - | 305,132 | 230,440 | 113,518 |
| TOTAL | \$ 4,656,703 | \$ 56,268 | \$ 1,979,570 | \$ 2,355,814 | \$ 265,051 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Interest Rate Risk (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market. The Fund investment policy requires that the average maturity and duration of the portfolio be maintained at approximately five years and range from two to seven years.

Credit Risk

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Fund 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 Firefighters' Pension Fund investment policy does not specially address credit risk. The U.S agencies have ratings of AA+ and the Municipal Bonds have ratings from AAA to AA-.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. The Fund investment policy requires an independent third party institution to act as custodian for its securities.

Net Pension Liability

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

| | | |
|---|----|-----------|
| Total pension liability | \$ | 7,537,122 |
| Plan fiduciary net position | | 7,396,346 |
| Village's net pension liability | | 140,776 |
| Plan fiduciary net position as a percentage of the total pension liability | | 98.13% |

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 ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

| | |
|----------------------------|----------------------------------|
| Actuarial valuation date | April 30, 2015 |
| Actuarial cost method | Entry-age normal |
| Assumptions | |
| Inflation | 2.50% |
| Salary increases | 5.50% |
| Interest rate of return | 7.00% |
| Cost of living adjustments | 3.00% (Tier 1) 2.00% (Tier 2) |
| Asset valuation method | Market |

Mortality rates were based on the RP-2000 CHBCA 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.

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.0% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

| | 1% Decrease (6.0%) | Current Discount Rate (7.0%) | 1% Increase (8.0%) |
|-------------------------------|-----------------------|------------------------------------|-----------------------|
| Net pension liability (asset) | \$ 1,354,320 | \$ 140,776 | \$ (849,084) |

b. Significant Investments

There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of plan net assets for the Police Pension Plans or Firefighters' Pension Plans. Information for IMRF is not available.

c. Annual Pension Costs

Employer contributions have been determined as follows:

| | Illinois Municipal Retirement | Police Pension | Firefighters' Pension |
|--------------------------|--|--|--|
| Actuarial valuation date | December 31, 2012 | April 30, 2013 | April 30, 2013 |
| Actuarial cost method | Entry-age Normal | Entry-age Normal | Entry-age Normal |
| Amortization method | Level Percentage of Projected Payroll - Open Basis | Level Percentage of Projected Payroll - Closed Basis | Level Percentage of Projected Payroll - Closed Basis |
| Amortization period | 29 Years | 28 Years | 28 Years |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Costs (Continued)

| | Illinois Municipal Retirement | Police Pension | Firefighters' Pension |
|--|-------------------------------------|---------------------------------|---------------------------------|
| Significant actuarial assumptions | | | |
| a) Rate of return on present and future assets | 7.50% Compounded Annually | 7.00% Compounded Annually | 7.00% Compounded Annually |
| b) Projected salary increase - attributable to inflation | 4.00% Compounded Annually | 5.50% Compounded Annually | 5.50% Compounded Annually |
| c) Additional projected salary increases - seniority/merit | 0.40% to 10.00% | Not Available | Not Available |
| d) Postretirement benefit increases | 3.00% | 3.00% Compounded Annually | 3.00% Compounded Annually |

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

| | | Illinois Municipal Retirement | Police Pension | Firefighters' Pension |
|-------------------------------|------|-------------------------------------|-------------------|--------------------------|
| Annual pension cost (APC) | 2013 | \$ 1,248,978 | \$ 1,405,662 | \$ 319,097 |
| | 2014 | 1,313,497 | 1,459,192 | 331,817 |
| | 2015 | 1,455,110 | 1,564,088 | 295,403 |
| Actual contributions | 2013 | \$ 1,248,978 | \$ 1,365,554 | \$ 314,433 |
| | 2014 | 1,313,497 | 1,454,154 | 455,944 |
| | 2015 | 1,455,110 | 1,526,555 | 320,115 |
| Percentage of APC contributed | 2013 | 100.00% | 97.15% | 98.54% |
| | 2014 | 100.00% | 99.65% | 137.41% |
| | 2015 | 100.00% | 97.60% | 108.37% |
| NPO (asset) | 2013 | \$ - | \$ 1,510,233 | \$ 173,151 |
| | 2014 | - | 1,515,271 | 49,024 |
| | 2015 | - | 1,552,854 | 24,312 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Costs (Continued)

The NPO (asset) as of April 30, 2015 has been calculated as follows:

| | Police Pension | Firefighters' Pension |
|---|-------------------|--------------------------|
| Annual required contributions | \$ 1,525,992 | \$ 294,170 |
| Interest on net pension obligation | 106,072 | 3,432 |
| Adjustment to annual required contribution | (67,976) | (2,199) |
| Annual pension cost | 1,564,088 | 295,403 |
| Contributions made | 1,526,555 | 320,115 |
| Increase (decrease) in net pension obligation | 37,533 | (24,712) |
| Net pension obligation, beginning of year | 1,515,321 | 49,024 |
| NET PENSION OBLIGATION, END OF YEAR | \$ 1,552,854 | \$ 24,312 |

d. Funded Status and Funding Progress

The funded status and funding progress of the plans as of December 31, 2014 (IMRF) and April 30, 2015, for the Police and Firefighters' Pension Plans were as follows:

| | Illinois Municipal Retirement | Police Pension | Firefighters' Pension |
|---|-------------------------------------|-------------------|--------------------------|
| Actuarial valuation date | December 31, 2014 | April 30, 2015 | April 30, 2015 |
| Actuarial accrued liability (AAL) | \$ 28,691,355 | \$ 54,569,105 | \$ 7,537,122 |
| Actuarial value of plan assets | 21,247,683 | 34,393,186 | 7,396,346 |
| Unfunded actuarial accrued liability (UAAL) | 7,443,672 | 20,175,919 | 140,776 |
| Funded ratio (actuarial value of plan assets/AAL) | 74.06% | 63.03% | 97.98% |
| Covered payroll (active plan members) | \$ 10,785,627 | \$ 5,567,300 | \$ 1,619,587 |
| UAAL as a percentage of covered payroll | 69.01% | 362.40% | 9.40% |

The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans as disclosed in Note 11d.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

d. Funded Status and Funding Progress (Continued)

The schedule of funding progress, presented in the required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

12. PENSION TRUST FUNDS

a. Schedule of Net Position as of April 30, 2015

| | Police Pension | Firefighters' Pension | Total |
|---|-------------------|--------------------------|---------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 101,795 | \$ - | \$ 101,795 |
| Investments | | | |
| U.S. Government and agency obligations | 11,179,523 | 4,007,613 | 15,187,136 |
| Municipal bonds | - | 649,090 | 649,090 |
| Equity mutual funds | 22,590,636 | 2,678,868 | 25,269,504 |
| Money market mutual funds | 474,231 | 143,127 | 617,358 |
| Receivables | | | |
| Accrued interest | 38,820 | 41,206 | 80,026 |
| Due from other funds | 8,425 | - | 8,425 |
| Total assets | 34,393,430 | 7,519,904 | 41,913,334 |
| LIABILITIES | | | |
| Accounts payable | 244 | 147 | 391 |
| Due to Village | - | 123,411 | 123,411 |
| Total liabilities | 244 | 123,558 | 123,802 |
| NET POSITION | \$ 34,393,186 | \$ 7,396,346 | \$ 41,789,532 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. PENSION TRUST FUNDS (Continued)

b. Schedule of Changes in Net Position for the year ended April 30, 2015

| | Police Pension | Firefighters' Pension | Total |
|--|-------------------|--------------------------|---------------|
| ADDITIONS | | | |
| Contributions | | | |
| Employer | \$ 1,526,555 | \$ 320,115 | \$ 1,846,670 |
| Employee | 559,263 | 169,091 | 728,354 |
| Total contributions | 2,085,818 | 489,206 | 2,575,024 |
| Investment income | | | |
| Net appreciation in fair value of investments | 2,021,825 | 340,739 | 2,362,564 |
| Interest | 629,374 | 127,765 | 757,139 |
| Total investment income | 2,651,199 | 468,504 | 3,119,703 |
| Less investment expense | (290,168) | (28,925) | (319,093) |
| Net investment income | 2,361,031 | 439,579 | 2,800,610 |
| Total additions | 4,446,849 | 928,785 | 5,375,634 |
| DEDUCTIONS | | | |
| Administrative | 17,350 | 10,826 | 28,176 |
| Pension benefits and refunds | 1,616,149 | 91,334 | 1,707,483 |
| Total deductions | 1,633,499 | 102,160 | 1,735,659 |
| NET INCREASE | 2,813,350 | 826,625 | 3,639,975 |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS | | | |
| May 1 | 31,579,836 | 6,569,721 | 38,149,557 |
| April 30 | \$ 34,393,186 | \$ 7,396,346 | \$ 41,789,532 |

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. SPECIAL ITEM

The Village has reported a special item in the General Fund and Governmental Activities as a result of the settlement of a tax protest lawsuit during the fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|--|------------------------------|---------------|--------------------------|
| REVENUES | | | |
| Property taxes | \$ 9,302,200 | \$ 9,298,756 | \$ (3,444) |
| Other taxes | 18,932,300 | 19,980,126 | 1,047,826 |
| Fines and forfeits | 634,100 | 525,809 | (108,291) |
| Licenses and permits | 1,926,200 | 2,239,902 | 313,702 |
| Charges for services | 5,410,600 | 5,599,897 | 189,297 |
| Intergovernmental | 5,555,200 | 5,461,886 | (93,314) |
| Investment income | 10,000 | 62,489 | 52,489 |
| Other | 1,897,600 | 1,937,377 | 39,777 |
| Total revenues | 43,668,200 | 45,106,242 | 1,438,042 |
| EXPENDITURES | | | |
| General government | 10,821,100 | 10,000,473 | (820,627) |
| Public safety | 18,739,900 | 17,878,688 | (861,212) |
| Public works | 8,303,950 | 8,139,070 | (164,880) |
| Allocation to water and sewer fund | (3,060,000) | (3,060,000) | - |
| Debt service | | | |
| Principal | 188,800 | 1,179,645 | 990,845 |
| Interest and fiscal charges | 30,400 | 23,339 | (7,061) |
| Capital outlay | 3,377,300 | 5,719,782 | 2,342,482 |
| Total expenditures | 38,401,450 | 39,880,997 | 1,479,547 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 5,266,750 | 5,225,245 | (41,505) |
| OTHER FINANCING SOURCES (USES) | | | |
| Notes payable issued | - | 2,747,915 | 2,747,915 |
| Transfers in | 30,000 | 30,000 | - |
| Transfers (out) | (5,311,750) | (9,627,668) | (4,315,918) |
| Sale of capital assets | 15,000 | 14,975 | (25) |
| Total other financing sources (uses) | (5,266,750) | (6,834,778) | (1,568,028) |
| SPECIAL ITEM | - | 4,288,965 | 4,288,965 |
| NET CHANGE IN FUND BALANCE | \$ - | 2,679,432 | \$ 2,679,432 |
| FUND BALANCE, MAY 1 | | 17,996,239 | |
| FUND BALANCE, APRIL 30 | | \$ 20,675,671 | |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RECREATION FUND

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|--|------------------------------|--------------|--------------------------|
| REVENUES | | | |
| Property taxes | \$ 1,851,600 | \$ 1,856,144 | \$ 4,544 |
| Other taxes | 578,000 | 849,709 | 271,709 |
| Charges for services | 893,000 | 970,556 | 77,556 |
| Intergovernmental | - | 12,500 | 12,500 |
| Investment income | 500 | 117 | (383) |
| Other | 4,500 | 17,077 | 12,577 |
| Total revenues | 3,327,600 | 3,706,103 | 378,503 |
| EXPENDITURES | | | |
| Culture and recreation | | | |
| Operations | | | |
| Salaries | 400,000 | 379,035 | (20,965) |
| Contractual | 24,500 | 27,151 | 2,651 |
| Commodities | 7,500 | 4,458 | (3,042) |
| Other | 205,600 | 206,124 | 524 |
| Recreation programs | | | |
| Salaries | 1,168,150 | 1,203,365 | 35,215 |
| Contractual | 172,500 | 171,256 | (1,244) |
| Commodities | 332,700 | 289,673 | (43,027) |
| Other | 17,000 | 18,551 | 1,551 |
| Park maintenance | | | |
| Salaries | 753,100 | 687,027 | (66,073) |
| Contractual | 446,000 | 395,066 | (50,934) |
| Commodities | 106,900 | 75,546 | (31,354) |
| Recreation center | | | |
| Salaries | 438,050 | 407,172 | (30,878) |
| Contractual | 75,000 | 83,123 | 8,123 |
| Commodities | 17,250 | 16,648 | (602) |
| Debt service | | | |
| Principal | 6,000 | 5,617 | (383) |
| Capital outlay | | | |
| Improvements | 430,000 | 485,189 | 55,189 |
| Total expenditures | 4,600,250 | 4,455,001 | (145,249) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (1,272,650) | (748,898) | 523,752 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 1,210,150 | 1,236,850 | 26,700 |
| Transfers (out) | (344,500) | (351,200) | (6,700) |
| Total other financing sources (uses) | 865,650 | 885,650 | 20,000 |
| NET CHANGE IN FUND BALANCE | \$ (407,000) | 136,752 | \$ 543,752 |
| FUND BALANCE, MAY 1 | | 1,019,246 | |
| FUND BALANCE, APRIL 30 | | \$ 1,155,998 | |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2015

| Actuarial Valuation Date December 31, | (1) Actuarial Value of Assets | (2) Actuarial Accrued Liability (AAL) Entry-Age | (3) Funded Ratio (1) / (2) | (4) Unfunded AAL (UAAL) (2) - (1) | (5) Covered Payroll | UAAL as a Percentage of Covered Payroll (4) / (5) |
|--|--|--|-------------------------------------|---|---------------------------|--|
| 2009 | \$ 15,323,154 | \$ 20,634,969 | 74.26% | \$ 5,311,815 | \$ 9,680,397 | 54.87% |
| 2010 | 15,574,641 | 21,536,363 | 72.32% | 5,961,722 | 9,627,375 | 61.92% |
| 2011 | 16,136,534 | 22,843,276 | 70.64% | 6,706,742 | 9,786,537 | 68.53% |
| 2012 | 18,417,359 | 24,849,115 | 74.12% | 6,431,756 | 10,128,194 | 63.50% |
| 2013 | 20,254,525 | 26,969,414 | 75.10% | 6,714,889 | 10,518,237 | 63.84% |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND

April 30, 2015

| Actuarial Valuation Date April 30, | (1) Actuarial Value of Assets | (2) Actuarial Accrued Liability (AAL) Entry-Age | (3) Funded Ratio (1) / (2) | (4) Unfunded AAL (UAAL) (2) - (1) | (5) Covered Payroll | UAAL as a Percentage of Covered Payroll (4) / (5) |
|---|--|--|---|--|------------------------------------|--|
| 2010 | \$ 20,404,694 | \$ 34,458,323 | 59.22% | \$ 14,053,629 | \$ 5,256,962 | 267.33% |
| 2011 | 23,549,260 | 36,970,648 | 63.70% | 13,421,388 | 5,070,922 | 264.67% |
| 2012 | 25,050,194 | 39,747,179 | 63.02% | 14,696,985 | 5,296,414 | 277.49% |
| 2013 | 27,861,216 | 43,224,436 | 64.46% | 15,363,220 | 5,270,653 | 291.49% |
| 2014 | 31,579,835 | 47,593,891 | 66.35% | 16,014,056 | 5,659,915 | 282.94% |
| 2015 | 34,393,186 | 54,569,105 | 63.03% | 20,175,919 | 5,567,300 | 362.40% |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
FIREFIGHTERS' PENSION FUND

April 30, 2015

| Actuarial Valuation Date April 30, | (1) Actuarial Value of Assets | (2) Actuarial Accrued Liability (AAL) Entry-Age | (3) Funded Ratio (1) / (2) | (4) Unfunded AAL (UAAL) (2) - (1) | (5) Covered Payroll | UAAL as a Percentage of Covered Payroll (4) / (5) |
|---|--|--|-------------------------------------|---|---------------------------|--|
| 2010 | \$ 3,496,565 | \$ 4,239,264 | 82.48% | \$ 742,699 | \$ 1,244,570 | 59.68% |
| 2011 | 4,264,045 | 4,667,866 | 91.35% | 403,821 | 1,344,527 | 30.03% |
| 2012 | 4,978,597 | 5,289,641 | 94.12% | 311,044 | 1,595,726 | 19.49% |
| 2013 | 5,748,623 | 5,788,462 | 99.31% | 39,839 | 1,448,320 | 2.75% |
| 2014 | 6,569,720 | 6,418,227 | 102.36% | (151,493) | 1,559,039 | -9.72% |
| 2015 | 7,396,346 | 7,537,122 | 98.13% | 140,776 | 1,619,587 | 8.69% |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2015

| Actuarial Valuation Date April 30, | (1) Actuarial Value of Assets | (2) Actuarial Accrued Liability (AAL) Entry-Age | (3) Funded Ratio (1) / (2) | (4) Unfunded AAL (UAAL) (2) - (1) | (5) Covered Payroll | UAAL as a Percentage of Covered Payroll (4) / (5) |
|---|--|--|---|--|------------------------------------|--|
| 2010 | \$ - | \$ 1,392,531 | 0.00% | \$ 1,392,531 | \$ 15,078,910 | 9.23% |
| 2011 | N/A | N/A | N/A | N/A | N/A | N/A |
| 2012 | - | 1,964,941 | 0.00% | 1,964,941 | 16,095,846 | 12.21% |
| 2013 | N/A | N/A | N/A | N/A | N/A | N/A |
| 2014 | - | 2,431,930 | 0.00% | 2,431,930 | 15,742,417 | 15.45% |
| 2015 | N/A | N/A | N/A | N/A | N/A | N/A |

N/A - actuarial valuation not performed.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

April 30, 2015

| Fiscal Year | Employer Contributions | Annual Required Contribution (ARC) | Percentage Contributed |
|------------------------|-----------------------------------|---|-----------------------------------|
| 2010 | \$ 968,040 | \$ 968,040 | 100.00% |
| 2011 | 1,062,441 | 1,062,441 | 100.00% |
| 2012 | 1,126,969 | 1,126,969 | 100.00% |
| 2013 | 1,248,978 | 1,248,978 | 100.00% |
| 2014 | 1,313,497 | 1,313,497 | 100.00% |
| 2015 | 1,455,110 | 1,455,110 | 100.00% |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

April 30, 2015

| | <u>2015</u> |
|--|------------------------|
| Actuarially determined contribution | \$ 1,525,992 |
| Contributions in relation to the actuarially determined contribution | <u>1,526,555</u> |
| CONTRIBUTION DEFICIENCY (Excess) | <u><u>\$ (563)</u></u> |
| Covered-employee payroll | \$ 5,567,300 |
| Contributions as a percentage of covered-employee payroll | 27.42% |

The information directly above is formatted to comply with the requirements of GASB Statement No. 67.

| <u>Year Ended December 31,</u> | <u>Employer Contributions</u> | <u>Annual Required Contribution (ARC)</u> | <u>Percent Contributed</u> |
|------------------------------------|-----------------------------------|---|--------------------------------|
| 2010 | \$ 1,247,460 | \$ 1,437,794 | 86.76% |
| 2011 | 1,538,004 | 1,538,440 | 99.97% |
| 2012 | 1,555,002 | 1,553,747 | 100.08% |
| 2013 | 1,365,554 | 1,364,969 | 100.04% |
| 2014 | 1,454,154 | 1,419,237 | 102.46% |
| 2015 | 1,526,555 | 1,525,992 | 100.04% |

Notes to Required Supplementary Information:

This information directly above is presented in accordance with GASB Statement No. 25. The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation (May 1, 2015) is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 26 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return at 7.0% annually, projected salary increases assumption of 5.5% compounded annually and postretirement benefit increases of 2-3% compounded annually.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND**

April 30, 2015

| | <u>2015</u> |
|---|---------------------------|
| Actuarially determined contribution | \$ 294,170 |
| Contributions in relation to the actuarially determined contribution | <u>320,115</u> |
| CONTRIBUTION DEFICIENCY (Excess) | <u><u>\$ (25,945)</u></u> |
| Covered-employee payroll | \$ 1,619,587 |
| Contributions as a percentage of covered-employee payroll | 19.77% |

The information directly above is formatted to comply with the requirements of GASB Statement No. 67.

| <u>Year Ended December 31,</u> | <u>Employer Contributions</u> | <u>Annual Required Contribution (ARC)</u> | <u>Percent Contributed</u> |
|------------------------------------|-----------------------------------|---|--------------------------------|
| 2010 | \$ 314,480 | \$ 314,341 | 100.04% |
| 2011 | 326,594 | 326,719 | 99.96% |
| 2012 | 316,004 | 315,154 | 100.27% |
| 2013 | 314,433 | 314,433 | 100.00% |
| 2014 | 455,944 | 327,236 | 139.33% |
| 2015 | 320,115 | 294,170 | 108.82% |

Notes to Required Supplementary Information:

This information directly above is presented in accordance with GASB Statement No. 25. The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation (May 1, 2015) is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 26 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return at 7.0% annually, projected salary increases assumption of 5.5% compounded annually and postretirement benefit increases of 2-3% compounded annually.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

April 30, 2015

| Fiscal Year | Employer Contributions | Annual Required Contribution (ARC) | Percentage Contributed |
|------------------------|-----------------------------------|---|-----------------------------------|
| 2010 | \$ 146,850 | \$ 77,051 | 190.59% |
| 2011 | 146,850 | 86,162 | 170.43% |
| 2012 | 146,850 | 86,162 | 170.43% |
| 2013 | 146,850 | 132,273 | 111.02% |
| 2014 | 156,196 | 132,273 | 118.09% |
| 2015 | 156,196 | 154,076 | 101.38% |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
AND RELATED RATIOS
POLICE PENSION FUND**

April 30, 2015

TOTAL PENSION LIABILITY

| | |
|---|--------------------|
| Service cost | \$ 1,428,441 |
| Interest | 3,275,007 |
| Changes of benefit terms | - |
| Differences between expected and actual experience | 738,525 |
| Changes of assumptions | 3,149,390 |
| Benefit payments, including refunds of member contributions | <u>(1,616,149)</u> |

| | |
|---------------------------------------|-----------|
| Net change in total pension liability | 6,975,214 |
|---------------------------------------|-----------|

| | |
|-------------------------------------|-------------------|
| Total pension liability - beginning | <u>47,593,891</u> |
|-------------------------------------|-------------------|

| | |
|---|-----------------------------|
| TOTAL PENSION LIABILITY - ENDING | <u>\$ 54,569,105</u> |
|---|-----------------------------|

PLAN FIDUCIARY NET POSITION

| | |
|---|-----------------|
| Contributions - employer | \$ 1,526,555 |
| Contributions - member | 559,263 |
| Net investment income | 2,361,031 |
| Benefit payments, including refunds of member contributions | (1,616,149) |
| Administrative expense | <u>(17,350)</u> |

| | |
|---|-----------|
| Net change in plan fiduciary net position | 2,813,350 |
|---|-----------|

| | |
|---|-------------------|
| Plan fiduciary net position - beginning | <u>31,579,836</u> |
|---|-------------------|

| | |
|---|-----------------------------|
| PLAN FIDUCIARY NET POSITION - ENDING | <u>\$ 34,393,186</u> |
|---|-----------------------------|

| | |
|---|-----------------------------|
| EMPLOYER'S NET PENSION LIABILITY | <u>\$ 20,175,919</u> |
|---|-----------------------------|

| | |
|---|--------|
| Plan fiduciary net position as a percentage of the total pension liability | 63.03% |
|---|--------|

| | |
|--------------------------|--------------|
| Covered-employee payroll | \$ 5,567,300 |
|--------------------------|--------------|

| | |
|---|---------|
| Employer's net pension liability as a percentage of covered-employee payroll | 362.40% |
|---|---------|

Notes to Schedule:

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates and retirement rates.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND**

April 30, 2015

| | |
|---|----------------------------|
| TOTAL PENSION LIABILITY | |
| Service cost | \$ 455,750 |
| Interest | 446,079 |
| Changes of benefit terms | - |
| Differences between expected and actual experience | 31,952 |
| Changes of assumptions | 276,448 |
| Benefit payments, including refunds of member contributions | (91,334) |
| | <u>1,118,895</u> |
| Net change in total pension liability | 1,118,895 |
| Total pension liability - beginning | <u>6,418,227</u> |
| TOTAL PENSION LIABILITY - ENDING | <u><u>\$ 7,537,122</u></u> |
| PLAN FIDUCIARY NET POSITION | |
| Contributions - employer | \$ 320,115 |
| Contributions - member | 169,091 |
| Net investment income | 439,579 |
| Benefit payments, including refunds of member contributions | (91,334) |
| Administrative expense | (10,826) |
| | <u>826,625</u> |
| Net change in plan fiduciary net position | 826,625 |
| Plan fiduciary net position - beginning | <u>6,569,721</u> |
| PLAN FIDUCIARY NET POSITION - ENDING | <u><u>\$ 7,396,346</u></u> |
| EMPLOYER'S NET PENSION LIABILITY | <u><u>\$ 140,776</u></u> |
| Plan fiduciary net position | |
| as a percentage of the total pension liability | 98.13% |
| Covered-employee payroll | \$ 1,619,587 |
| Employer's net pension liability | |
| as a percentage of covered-employee payroll | 8.69% |

Notes to Schedule:

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates and retirement rates.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

April 30, 2015

| | <u>2015</u> |
|--|-------------|
| Annual money-weighted rate of return, net of investment expense | 7.52% |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND**

April 30, 2015

| | <u>2015</u> |
|--|-------------|
| Annual money-weighted rate of return, net of investment expense | 6.33% |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2015

BUDGETS

Annual budgets are adopted for all governmental, proprietary, and pension trust funds, with the exception of the 2004 Construction Fund and the Facility Construction Fund. Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end.

The Finance Director submits a proposed operating budget to the governing body for review commencing the following May 1. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. The budget is legally enacted through passage of an ordinance. The budget may be amended by the governing body.

Expenditures may not legally exceed budgeted appropriations at the fund level. There were no budget amendments during the year.

During the fiscal year, expenditures exceeded budget for the following funds:

| | <u>Final Budget</u> | <u>Actual</u> |
|---------------------|---------------------|---------------|
| General Fund | \$ 38,401,450 | \$ 39,757,684 |
| Motor Fuel Tax Fund | 1,146,100 | 1,226,909 |
| Debt Service Fund | 5,154,900 | 5,279,451 |

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|-----------------------------------|------------------------------|-------------------|--------------------------|
| REVENUES | | | |
| Property taxes | | | |
| Corporate levy | \$ 2,098,000 | \$ 2,080,380 | \$ (17,620) |
| Fire protection levy | 275,900 | 261,593 | (14,307) |
| Police protection levy | 570,000 | 568,902 | (1,098) |
| Ambulance levy | 584,000 | 581,635 | (2,365) |
| Audit levy | 50,000 | 50,500 | 500 |
| Social security levy | 1,300,000 | 1,296,518 | (3,482) |
| Street levy | 585,000 | 611,401 | 26,401 |
| Refuse disposal levy | 610,000 | 609,096 | (904) |
| Tort immunity levy | 1,400,000 | 1,396,488 | (3,512) |
| Police pension levy | 1,526,000 | 1,522,224 | (3,776) |
| Fire pension levy | 303,300 | 320,019 | 16,719 |
| Total property taxes | <u>9,302,200</u> | <u>9,298,756</u> | <u>(3,444)</u> |
| Other taxes | | | |
| Sales | 4,980,000 | 5,308,783 | 328,783 |
| Use | 706,300 | 818,410 | 112,110 |
| Utility | | | |
| Electric | 3,000,000 | 3,234,060 | 234,060 |
| Gas | 1,000,000 | 1,108,710 | 108,710 |
| Telephone | 1,230,000 | 1,142,883 | (87,117) |
| Water | 250,000 | 232,796 | (17,204) |
| Automobile | 8,000 | 7,214 | (786) |
| Home rule sales | 5,680,000 | 5,646,337 | (33,663) |
| Home rule gas | 660,000 | 723,653 | 63,653 |
| Real estate transfer | 198,000 | 449,363 | 251,363 |
| Food and beverage | 1,165,000 | 1,224,725 | 59,725 |
| Gaming tax | 55,000 | 83,192 | 28,192 |
| Total other taxes | <u>18,932,300</u> | <u>19,980,126</u> | <u>1,047,826</u> |
| Fines | | | |
| Court supervision fines - vehicle | 35,000 | - | (35,000) |
| Court | 260,000 | 251,897 | (8,103) |
| Administrative tickets | 7,500 | 4,440 | (3,060) |
| Parking tickets | 12,000 | 29,105 | 17,105 |
| Dog/animal | 7,000 | 5,840 | (1,160) |
| Forfeiture of Cash P.D. | 10,000 | - | (10,000) |
| False alarm | 14,000 | 19,300 | 5,300 |
| Vehicle impound fees | 160,000 | 79,600 | (80,400) |
| DUI | 8,000 | 8,000 | - |
| Fire alarm monitoring | 120,600 | 127,627 | 7,027 |
| Total fines | <u>634,100</u> | <u>525,809</u> | <u>(108,291)</u> |

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|--|--------------------------------------|---------------|----------------------------------|
| REVENUES (Continued) | | | |
| Licenses and permits | | | |
| Business licenses | \$ 110,000 | \$ 92,606 | \$ (17,394) |
| Liquor licenses | 70,000 | 74,980 | 4,980 |
| Business permits | 90,000 | 112,350 | 22,350 |
| Solicitor permits | 1,500 | 1,900 | 400 |
| Building permits | 1,350,000 | 1,632,468 | 282,468 |
| Garage sale permits | 4,000 | 2,335 | (1,665) |
| Inspection permits | 300,000 | 322,553 | 22,553 |
| Animal tags | 700 | 710 | 10 |
| Total licenses and permits | 1,926,200 | 2,239,902 | 313,702 |
| Charges for services | | | |
| Vacancy inspection | 7,000 | 13,500 | 6,500 |
| Cable TV franchise | 450,000 | 519,345 | 69,345 |
| Ambulance | 620,000 | 507,769 | (112,231) |
| NSF check charges | - | 105 | 105 |
| Administration | 1,000 | 2,497 | 1,497 |
| Zoning board maps/variance | 40,000 | 28,640 | (11,360) |
| Zoning code material | 10,000 | 2,200 | (7,800) |
| Rental inspection | 70,000 | 73,200 | 3,200 |
| Construction reinspection | 20,000 | 44,898 | 24,898 |
| Sprint rental | 68,000 | 70,320 | 2,320 |
| Engineering | 300,000 | 437,462 | 137,462 |
| Fire prevention service | 20,000 | 30,308 | 10,308 |
| Fire academy | 800,000 | 872,275 | 72,275 |
| Fire recovery fees | 50,000 | 998 | (49,002) |
| Ambulance non-emergency transport fees | 5,000 | - | (5,000) |
| Sex offender registration act fee | - | 245 | 245 |
| Violent offender against yourth registration fee | - | 30 | 30 |
| Rubbish collection | 2,875,000 | 2,897,205 | 22,205 |
| Portable sign/pennant permit | 2,000 | 1,439 | (561) |
| Fingerprint | 1,000 | 232 | (768) |
| Police special detail | 65,000 | 90,111 | 25,111 |
| Police accident report | 6,000 | 6,263 | 263 |
| Fire reports | 600 | 855 | 255 |
| Total charges for services | 5,410,600 | 5,599,897 | 189,297 |
| Intergovernmental | | | |
| State income tax | 3,880,700 | 3,886,045 | 5,345 |
| Replacement tax | 150,000 | 167,283 | 17,283 |
| Auto theft | 61,000 | 45,604 | (15,396) |
| Traffic | 12,000 | - | (12,000) |
| D.A.R.E. program revenue | 7,500 | 7,500 | - |
| Will County grants | 41,000 | 74,316 | 33,316 |
| State grants | 168,000 | - | (168,000) |
| Federal grants | 110,000 | 103,356 | (6,644) |
| Lockport fire agreement | 1,125,000 | 1,177,782 | 52,782 |
| Total intergovernmental | 5,555,200 | 5,461,886 | (93,314) |

(This schedule is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|---|--------------------------------------|----------------------|----------------------------------|
| REVENUES (Continued) | | | |
| Investment income | \$ 10,000 | \$ 62,489 | \$ 52,489 |
| Other | | | |
| Developer's contributions | 1,000,000 | 1,151,005 | 151,005 |
| VOR TV Sale of dvds | - | 140 | 140 |
| General donations | - | 18,125 | 18,125 |
| Training reimbursement | 10,000 | 13,982 | 3,982 |
| Community development reimbursement | 15,000 | 22,805 | 7,805 |
| Workers' compensation reimbursement | 150,000 | 104,813 | (45,187) |
| Liaison officer reimbursement | 35,000 | 38,980 | 3,980 |
| Other reimbursements | 40,000 | 59,700 | 19,700 |
| Insurance reimbursements | 20,000 | 5,414 | (14,586) |
| Reimbursements | - | 350 | 350 |
| Reimbursement of legal fees | 40,000 | 40,541 | 541 |
| Health insurance contributions | 150,000 | 137,402 | (12,598) |
| Hazardous material reimbursements | 30,000 | 911 | (29,089) |
| Rain barrel program | 200 | 85 | (115) |
| Commemorative veterans brick and plaque | 500 | 280 | (220) |
| Marquette TIF distribution | 200,000 | 202,978 | 2,978 |
| Cobra retiree contribution | 85,000 | 54,343 | (30,657) |
| Village building rent | 25,000 | 26,400 | 1,400 |
| Miscellaneous income | 1,000 | 8,933 | 7,933 |
| Bonds issued | - | 4,693 | 4,693 |
| MSC guarantee | 35,000 | 33,242 | (1,758) |
| Advertising | 900 | 590 | (310) |
| Flexible spending | 60,000 | 4,665 | (55,335) |
| Sales tax replacement fees | - | 7,000 | 7,000 |
| Total other | 1,897,600 | 1,937,377 | 39,777 |
| TOTAL REVENUES | \$ 43,668,200 | \$ 45,106,242 | \$ 1,438,042 |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|------------------------------|--------------------------------------|------------------|----------------------------------|
| GENERAL GOVERNMENT | | | |
| Mayor | | | |
| Salaries | \$ 134,900 | \$ 132,477 | \$ (2,423) |
| Contractual services | 15,000 | 10,074 | (4,926) |
| Commodities | 8,100 | 6,312 | (1,788) |
| Other | - | (30) | (30) |
| Total mayor | <u>158,000</u> | <u>148,833</u> | <u>(9,167)</u> |
| General village board | | | |
| Salaries | 240,400 | 226,601 | (13,799) |
| Contractual services | 4,500 | 3,216 | (1,284) |
| Commodities | 88,500 | 76,690 | (11,810) |
| Total general village board | <u>333,400</u> | <u>306,507</u> | <u>(26,893)</u> |
| Village administration | | | |
| Salaries | 502,400 | 483,544 | (18,856) |
| Contractual services | 998,000 | 999,324 | 1,324 |
| Commodities | 23,500 | 12,106 | (11,394) |
| Total village administration | <u>1,523,900</u> | <u>1,494,974</u> | <u>(28,926)</u> |
| Personnel | | | |
| Salaries | 424,300 | 384,216 | (40,084) |
| Contractual services | 2,675,000 | 2,505,590 | (169,410) |
| Commodities | 14,000 | 12,876 | (1,124) |
| Other | 48,500 | 18,662 | (29,838) |
| Total personnel | <u>3,161,800</u> | <u>2,921,344</u> | <u>(240,456)</u> |
| Operations | | | |
| Salaries | 7,900 | 9,306 | 1,406 |
| Contractual services | 29,000 | 32,550 | 3,550 |
| Commodities | 2,800 | 1,287 | (1,513) |
| Other expenditures | 1,918,550 | 1,420,273 | (498,277) |
| Total operations | <u>1,958,250</u> | <u>1,463,416</u> | <u>(494,834)</u> |
| Village Clerk | | | |
| Salaries | 108,500 | 110,292 | 1,792 |
| Contractual services | 18,000 | 7,213 | (10,787) |
| Commodities | 400 | 140 | (260) |
| Total village clerk | <u>126,900</u> | <u>117,645</u> | <u>(9,255)</u> |

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|--|--------------------------------------|---------------|----------------------------------|
| GENERAL GOVERNMENT (Continued) | | | |
| Finance department | | | |
| Administration | | | |
| Salaries | \$ 967,650 | \$ 958,860 | \$ (8,790) |
| Contractual services | 5,000 | 2,451 | (2,549) |
| Commodities | 216,500 | 228,495 | 11,995 |
| Other expenditures | 8,200 | 7,121 | (1,079) |
| Total administration | 1,197,350 | 1,196,927 | (423) |
| General services | | | |
| Contractual services | 260,000 | 206,516 | (53,484) |
| Commodities | 13,000 | 10,333 | (2,667) |
| Other expenditures | 3,000 | 40 | (2,960) |
| Total general services | 276,000 | 216,889 | (59,111) |
| Information services | | | |
| Salaries | 308,400 | 306,271 | (2,129) |
| Contractual services | 610,500 | 678,200 | 67,700 |
| Commodities | 21,000 | 19,835 | (1,165) |
| Total information services | 939,900 | 1,004,306 | 64,406 |
| Total finance department | 2,413,250 | 2,418,122 | 4,872 |
| Community services and development | | | |
| Administration | | | |
| Salaries | 671,900 | 616,084 | (55,816) |
| Contractual services | 24,000 | 29,790 | 5,790 |
| Commodities | 15,100 | 17,067 | 1,967 |
| Total administration | 711,000 | 662,941 | (48,059) |
| Inspectional services | | | |
| Salaries | 407,900 | 403,997 | (3,903) |
| Contractual services | 15,200 | 41,578 | 26,378 |
| Commodities | 11,500 | 21,116 | 9,616 |
| Total inspectional services | 434,600 | 466,691 | 32,091 |
| Total community services and development | 1,145,600 | 1,129,632 | (15,968) |
| Total general government | 10,821,100 | 10,000,473 | (820,627) |
| PUBLIC SAFETY | | | |
| Police and fire commission | | | |
| Salaries | 22,400 | 12,429 | (9,971) |
| Contractual services | 49,000 | 35,410 | (13,590) |
| Commodities | 2,000 | 764 | (1,236) |
| Total police and fire commission | 73,400 | 48,603 | (24,797) |

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|--|--------------------------------------|---------------|----------------------------------|
| PUBLIC SAFETY (Continued) | | | |
| Police department | | | |
| Administration | | | |
| Salaries | \$ 2,788,300 | \$ 2,783,037 | \$ (5,263) |
| Contractual services | 9,500 | 5,179 | (4,321) |
| Commodities | 2,500 | 2,163 | (337) |
| Total administration | 2,800,300 | 2,790,379 | (9,921) |
| Operations | | | |
| Salaries | 8,671,500 | 8,115,232 | (556,268) |
| Contractual services | 325,500 | 238,560 | (86,940) |
| Commodities | 187,500 | 170,591 | (16,909) |
| Other expenditures | 9,500 | 9,241 | (259) |
| Total operations | 9,194,000 | 8,533,624 | (660,376) |
| Support services | | | |
| Salaries | 858,600 | 851,320 | (7,280) |
| Contractual services | 15,000 | 3,582 | (11,418) |
| Commodities | 5,000 | 2,813 | (2,187) |
| Total support services | 878,600 | 857,715 | (20,885) |
| Total police department | 12,872,900 | 12,181,718 | (691,182) |
| Fire and ambulance department | | | |
| Administration | | | |
| Salaries | 4,409,800 | 4,235,315 | (174,485) |
| Contractual services | 327,350 | 335,018 | 7,668 |
| Commodities | 167,750 | 144,473 | (23,277) |
| Total administration | 4,904,900 | 4,714,806 | (190,094) |
| Fire academy | | | |
| Administration | | | |
| | 416,600 | 500,076 | 83,476 |
| | 105,500 | 90,952 | (14,548) |
| | 263,800 | 255,795 | (8,005) |
| Total fire academy | 785,900 | 846,823 | 60,923 |
| Total fire and ambulance department | 5,690,800 | 5,561,629 | (129,171) |
| Romeoville Emergency Management Agency | | | |
| Administration | | | |
| Salaries | 15,300 | 10,466 | (4,834) |
| Contractual services | 14,000 | 14,370 | 370 |
| Commodities | 14,700 | 14,029 | (671) |
| Total administration | 44,000 | 38,865 | (5,135) |

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|--|--------------------------------------|--------------------|----------------------------------|
| PUBLIC SAFETY (Continued) | | | |
| Romeoville Emergency Management Agency (Continued) | | | |
| Operations | | | |
| Contractual services | \$ 35,800 | \$ 29,852 | \$ (5,948) |
| Commodities | 7,500 | 7,242 | (258) |
| Total operations | <u>43,300</u> | <u>37,094</u> | <u>(6,206)</u> |
| Communications | | | |
| Contractual services | <u>15,500</u> | <u>10,779</u> | <u>(4,721)</u> |
| Total Romeoville Emergency Management Agency | <u>102,800</u> | <u>86,738</u> | <u>(16,062)</u> |
| Total public safety | <u>18,739,900</u> | <u>17,878,688</u> | <u>(861,212)</u> |
| PUBLIC WORKS | | | |
| Administration | | | |
| Salaries | <u>430,600</u> | <u>553,919</u> | <u>123,319</u> |
| Buildings and grounds | | | |
| Salaries | 819,600 | 774,451 | (45,149) |
| Contractual services | 249,000 | 209,833 | (39,167) |
| Commodities | <u>73,000</u> | <u>55,007</u> | <u>(17,993)</u> |
| Total buildings and grounds | <u>1,141,600</u> | <u>1,039,291</u> | <u>(102,309)</u> |
| Motor pool | | | |
| Salaries | 147,000 | 134,754 | (12,246) |
| Contractual services | 142,000 | 107,197 | (34,803) |
| Commodities | <u>447,500</u> | <u>366,888</u> | <u>(80,612)</u> |
| Total motor pool | <u>736,500</u> | <u>608,839</u> | <u>(127,661)</u> |
| Streets and sanitation | | | |
| Salaries | 995,850 | 936,472 | (59,378) |
| Contractual services | 3,350,500 | 3,189,413 | (161,087) |
| Commodities | <u>251,000</u> | <u>230,076</u> | <u>(20,924)</u> |
| Total streets and sanitation | <u>4,597,350</u> | <u>4,355,961</u> | <u>(241,389)</u> |
| Landscape and grounds | | | |
| Salaries | 795,900 | 853,683 | 57,783 |
| Contractual services | 573,000 | 699,339 | 126,339 |
| Commodities | <u>29,000</u> | <u>28,038</u> | <u>(962)</u> |
| Total landscape and grounds | <u>1,397,900</u> | <u>1,581,060</u> | <u>183,160</u> |
| Total public works | <u>8,303,950</u> | <u>8,139,070</u> | <u>(164,880)</u> |
| ALLOCATIONS TO OTHER FUNDS | | | |
| Allocations to water and sewer fund | <u>(3,060,000)</u> | <u>(3,060,000)</u> | <u>-</u> |

(This schedule is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|-----------------------------|------------------------------|----------------------|--------------------------|
| DEBT SERVICE | | | |
| Principal | \$ 188,800 | \$ 1,179,645 | \$ 990,845 |
| Interest and fiscal charges | 30,400 | 23,339 | (7,061) |
| Total debt service | 219,200 | 1,202,984 | 983,784 |
| CAPITAL OUTLAY | | | |
| General government | 1,183,000 | 3,139,858 | 1,956,858 |
| Public safety | 939,000 | 683,624 | (255,376) |
| Public works | 1,255,300 | 1,896,300 | 641,000 |
| Total capital outlay | 3,377,300 | 5,719,782 | 2,342,482 |
| TOTAL EXPENDITURES | \$ 38,401,450 | \$ 39,880,997 | \$ 1,479,547 |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DOWNTOWN TIF DISTRICT FUND**

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|--|--------------------------------------|--------------------|----------------------------------|
| REVENUES | | | |
| Property taxes | \$ 145,000 | \$ 158,198 | \$ 13,198 |
| Investment income | 200 | 108 | (92) |
| Intergovernmental grants | - | 59,448 | 59,448 |
| Other | - | 108,483 | 108,483 |
| Total revenues | 145,200 | 326,237 | 181,037 |
| EXPENDITURES | | | |
| General government | | | |
| Contractual services | 703,000 | 126,404 | (576,596) |
| Debt Service | | | |
| Principal | 1,110,000 | 1,110,000 | - |
| Interest and fiscal charges | 496,000 | 495,570 | (430) |
| Capital outlay | 3,110,000 | 1,405,509 | (1,704,491) |
| Total expenditures | 5,419,000 | 3,137,483 | (2,281,517) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (5,273,800) | (2,811,246) | 2,462,554 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 1,088,200 | 1,798,448 | 710,248 |
| Total other financing sources (uses) | 1,088,200 | 1,798,448 | 710,248 |
| NET CHANGE IN FUND BALANCE | <u>\$ (4,185,600)</u> | <u>(1,012,798)</u> | <u>\$ 3,172,802</u> |
| FUND BALANCE, MAY 1 | | <u>1,146,776</u> | |
| FUND BALANCE, APRIL 30 | | <u>\$ 133,978</u> | |

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF ROMEOVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2015

| | Special Revenue | Debt Service | Capital Projects | Total |
|--|---------------------|-------------------|---------------------|---------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 1,639,924 | \$ 23,507 | \$ 2,758,832 | \$ 4,422,263 |
| Receivables (net, where applicable, of allowances for uncollectibles) | | | | |
| Property taxes | - | 782,573 | - | 782,573 |
| Accounts | - | - | - | - |
| Other | - | - | 62,913 | 62,913 |
| Due from other funds | - | - | 200,683 | 200,683 |
| Due from other governments | 92,288 | - | 75,508 | 167,796 |
| TOTAL ASSETS | \$ 1,732,212 | \$ 806,080 | \$ 3,097,936 | \$ 5,636,228 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 291,170 | \$ - | \$ 74,458 | \$ 365,628 |
| Due to other funds | 200,683 | 15,378 | - | 216,061 |
| Total liabilities | 491,853 | 15,378 | 74,458 | 581,689 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue | - | 782,573 | - | 782,573 |
| Total deferred inflows of resources | - | 782,573 | - | 782,573 |
| Total liabilities and deferred inflows of resources | 491,853 | 797,951 | 74,458 | 1,364,262 |
| FUND BALANCES | | | | |
| Restricted | | | | |
| Maintenance of roadways | 1,240,359 | - | - | 1,240,359 |
| Economic development | - | - | 1,477,222 | 1,477,222 |
| Capital projects | - | - | 436,563 | 436,563 |
| Unrestricted | | | | |
| Assigned | | | | |
| Maintenance of roadways | - | - | 792,376 | 792,376 |
| Capital projects | - | - | 317,317 | 317,317 |
| Debt service | - | 8,129 | - | 8,129 |
| Total fund balances | 1,240,359 | 8,129 | 3,023,478 | 4,271,966 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 1,732,212 | \$ 806,080 | \$ 3,097,936 | \$ 5,636,228 |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2015

| | Special Revenue | Debt Service | Capital Projects | Total |
|--|--------------------|-----------------|---------------------|--------------|
| REVENUES | | | | |
| Taxes | | | | |
| Property | \$ - | \$ 833,771 | \$ 2,752,441 | \$ 3,586,212 |
| Other | - | - | 723,653 | 723,653 |
| Intergovernmental | 1,212,119 | - | 130,453 | 1,342,572 |
| Investment income | 213 | 16 | 298 | 527 |
| Other | 7,795 | 311 | 772,438 | 780,544 |
| Total revenues | 1,220,127 | 834,098 | 4,379,283 | 6,433,508 |
| EXPENDITURES | | | | |
| General government | - | - | 1,552,547 | 1,552,547 |
| Public works | 1,197,282 | - | - | 1,197,282 |
| Debt service | | | | |
| Principal | - | 3,579,309 | - | 3,579,309 |
| Interest and fiscal charges | - | 1,574,394 | - | 1,574,394 |
| Debt issuance costs | - | 125,748 | - | 125,748 |
| Capital outlay | 29,627 | - | 778,732 | 808,359 |
| Total expenditures | 1,226,909 | 5,279,451 | 2,331,279 | 8,837,639 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (6,782) | (4,445,353) | 2,048,004 | (2,404,131) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Bond proceeds | - | 7,308,233 | - | 7,308,233 |
| Premium on bonds issued | - | 677,639 | - | 677,639 |
| Payment to escrow agent | - | (7,860,124) | - | (7,860,124) |
| Transfers in | - | 4,319,605 | - | 4,319,605 |
| Transfers (out) | (30,000) | - | (1,665,000) | (1,695,000) |
| Total other financing sources (uses) | (30,000) | 4,445,353 | (1,665,000) | 2,750,353 |
| NET CHANGE IN FUND BALANCES | (36,782) | - | 383,004 | 346,222 |
| FUND BALANCES, MAY 1 | 1,277,141 | 8,129 | 2,640,474 | 3,925,744 |
| FUND BALANCES, APRIL 30 | \$ 1,240,359 | \$ 8,129 | \$ 3,023,478 | \$ 4,271,966 |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|--|--------------------------------------|---------------|----------------------------------|
| REVENUES | | | |
| Intergovernmental | \$ 964,200 | \$ 1,212,119 | \$ 247,919 |
| Investment income | 500 | 213 | (287) |
| Other | - | 7,795 | 7,795 |
| Total revenues | 964,700 | 1,220,127 | 255,427 |
| EXPENDITURES | | | |
| Public works | | | |
| Contractual | 685,000 | 555,522 | (129,478) |
| Commodities | 411,100 | 641,760 | 230,660 |
| Capital outlay | 50,000 | 29,627 | (20,373) |
| Total expenditures | 1,146,100 | 1,226,909 | 80,809 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (181,400) | (6,782) | 174,618 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers (out) | (30,000) | (30,000) | - |
| Total other financing sources (uses) | (30,000) | (30,000) | - |
| NET CHANGE IN FUND BALANCE | \$ (211,400) | (36,782) | \$ 174,618 |
| FUND BALANCE, MAY 1 | | 1,277,141 | |
| FUND BALANCE, APRIL 30 | | \$ 1,240,359 | |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL DEBT SERVICE FUND

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|--|------------------------------|-------------|--------------------------|
| REVENUES | | | |
| Property taxes | \$ 835,400 | \$ 833,771 | \$ (1,629) |
| Investment income | 100 | 16 | (84) |
| Other | - | 311 | 311 |
| Total revenues | 835,500 | 834,098 | (1,402) |
| EXPENDITURES | | | |
| Debt service | | | |
| Principal | 3,579,400 | 3,579,309 | (91) |
| Interest and fiscal charges | 1,575,500 | 1,574,394 | (1,106) |
| Bond issuance costs | - | 125,748 | 125,748 |
| Total expenditures | 5,154,900 | 5,279,451 | 124,551 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (4,319,400) | (4,445,353) | (125,953) |
| OTHER FINANCING SOURCES (USES) | | | |
| Bonds issued | - | 7,308,233 | 7,308,233 |
| Premium on bonds issued | - | 677,639 | 677,639 |
| Payment to escrow agent | - | (7,860,124) | (7,860,124) |
| Transfers in | 4,319,400 | 4,319,605 | 205 |
| Total other financing sources (uses) | 4,319,400 | 4,445,353 | 125,953 |
| NET CHANGE IN FUND BALANCE | \$ - | - | \$ - |
| FUND BALANCE, MAY 1 | | 8,129 | |
| FUND BALANCE, APRIL 30 | | \$ 8,129 | |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

COMBINING BALANCE SHEET NONMAJOR CAPITAL PROJECTS FUNDS

April 30, 2015

| | <u>Road Improvements</u> | <u>Local Gas Tax</u> | <u>Marquette Center TIF District</u> |
|--|------------------------------|------------------------------|--|
| ASSETS | | | |
| Cash and cash equivalents | \$ 436,563 | \$ 533,271 | \$ 1,340,944 |
| Receivables | | | |
| Accounts | - | - | - |
| Other | - | 62,913 | - |
| Due from other governments | - | 69,967 | - |
| Due from other funds | - | 200,683 | - |
| | <u>436,563</u> | <u>866,834</u> | <u>1,340,944</u> |
| TOTAL ASSETS | \$ 436,563 | \$ 866,834 | \$ 1,340,944 |
| LIABILITIES AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts payable | \$ - | \$ 74,458 | \$ - |
| Due to other funds | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>-</u> | <u>74,458</u> | <u>-</u> |
| FUND BALANCES | | | |
| Restricted | | | |
| Economic development | - | - | 1,340,944 |
| Capital projects | 436,563 | - | - |
| Unrestricted | | | |
| Assigned | | | |
| Maintenance of roadways | - | 792,376 | - |
| Capital projects | - | - | - |
| | <u>436,563</u> | <u>792,376</u> | <u>1,340,944</u> |
| Total fund balances | <u>436,563</u> | <u>792,376</u> | <u>1,340,944</u> |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 436,563 | \$ 866,834 | \$ 1,340,944 |

| 2004 Construction | 2002A Construction | Romeo Road TIF District | Total |
|----------------------|-----------------------|-------------------------------|--------------|
| \$ 233,638 | \$ 78,138 | \$ 136,278 | \$ 2,758,832 |
| - | - | - | - |
| - | - | - | 62,913 |
| - | 5,541 | - | 75,508 |
| - | - | - | 200,683 |
| \$ 233,638 | \$ 83,679 | \$ 136,278 | \$ 3,097,936 |
| \$ - | \$ - | \$ - | \$ 74,458 |
| - | - | - | - |
| - | - | - | 74,458 |
| - | - | 136,278 | 1,477,222 |
| - | - | - | 436,563 |
| - | - | - | 792,376 |
| 233,638 | 83,679 | - | 317,317 |
| 233,638 | 83,679 | 136,278 | 3,023,478 |
| \$ 233,638 | \$ 83,679 | \$ 136,278 | \$ 3,097,936 |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended April 30, 2015

| | Road Improvements | Local Gas Tax | Marquette Center TIF District |
|--|------------------------------|------------------------------|--|
| REVENUES | | | |
| Property taxes | \$ - | \$ - | \$ 2,716,295 |
| Other taxes | - | 723,653 | - |
| Intergovernmental | - | 130,453 | - |
| Investment income | 13 | - | 275 |
| Other | 387,062 | 23,482 | - |
| Total revenues | 387,075 | 877,588 | 2,716,570 |
| EXPENDITURES | | | |
| General government | - | - | 1,551,722 |
| Capital outlay | 400,000 | 164,511 | - |
| Total expenditures | 400,000 | 164,511 | 1,551,722 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (12,925) | 713,077 | 1,164,848 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers (out) | - | - | (1,665,000) |
| Total other financing sources (uses) | - | - | (1,665,000) |
| NET CHANGE IN FUND BALANCES | (12,925) | 713,077 | (500,152) |
| FUND BALANCES, MAY 1 | 449,488 | 79,299 | 1,841,096 |
| FUND BALANCES, APRIL 30 | \$ 436,563 | \$ 792,376 | \$ 1,340,944 |

| 2004 Construction | 2002A Construction | Romeo Road TIF District | Total |
|----------------------|-----------------------|-------------------------------|--------------|
| \$ - | \$ - | \$ 36,146 | \$ 2,752,441 |
| - | - | - | 723,653 |
| - | - | - | 130,453 |
| 1 | - | 9 | 298 |
| 233,008 | 128,886 | - | 772,438 |
| 233,009 | 128,886 | 36,155 | 4,379,283 |
| - | - | 825 | 1,552,547 |
| - | 214,221 | - | 778,732 |
| - | 214,221 | 825 | 2,331,279 |
| 233,009 | (85,335) | 35,330 | 2,048,004 |
| - | - | - | (1,665,000) |
| - | - | - | (1,665,000) |
| 233,009 | (85,335) | 35,330 | 383,004 |
| 629 | 169,014 | 100,948 | 2,640,474 |
| \$ 233,638 | \$ 83,679 | \$ 136,278 | \$ 3,023,478 |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD IMPROVEMENTS FUND**

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|----------------------------|--------------------------------------|-------------------|----------------------------------|
| REVENUES | | | |
| Investment income | \$ - | \$ 13 | \$ 13 |
| Other | - | 387,062 | 387,062 |
| Total revenues | - | 387,075 | 387,075 |
| EXPENDITURES | | | |
| Capital outlay | 400,000 | 400,000 | - |
| Total expenditures | 400,000 | 400,000 | - |
| NET CHANGE IN FUND BALANCE | <u>\$ (400,000)</u> | (12,925) | <u>\$ 387,075</u> |
| FUND BALANCE, MAY 1 | | <u>449,488</u> | |
| FUND BALANCE, APRIL 30 | | <u>\$ 436,563</u> | |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LOCAL GAS TAX FUND**

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|----------------------------|--------------------------------------|-------------------|----------------------------------|
| REVENUES | | | |
| Home rule gas tax | \$ 660,000 | \$ 723,653 | \$ 63,653 |
| Intergovernmental | 680,000 | 130,453 | (549,547) |
| Other | 122,000 | 23,482 | (98,518) |
| Total revenues | 1,462,000 | 877,588 | (584,412) |
| EXPENDITURES | | | |
| Capital outlay | 1,462,000 | 164,511 | (1,297,489) |
| Total expenditures | 1,462,000 | 164,511 | (1,297,489) |
| NET CHANGE IN FUND BALANCE | <u>\$ -</u> | 713,077 | <u>\$ 713,077</u> |
| FUND BALANCE, MAY 1 | | <u>79,299</u> | |
| FUND BALANCE, APRIL 30 | | <u>\$ 792,376</u> | |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MARQUETTE CENTER TIF DISTRICT FUND**

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|--|--------------------------------------|---------------------|----------------------------------|
| REVENUES | | | |
| Property taxes | \$ 2,700,000 | \$ 2,716,295 | \$ 16,295 |
| Investment income | 500 | 275 | (225) |
| Other | - | - | - |
| Total revenues | <u>2,700,500</u> | <u>2,716,570</u> | <u>16,070</u> |
| EXPENDITURES | | | |
| General government | | | |
| Contractual | 1,569,000 | 1,551,722 | (17,278) |
| Capital outlay | 170,000 | - | (170,000) |
| Total expenditures | <u>1,739,000</u> | <u>1,551,722</u> | <u>(187,278)</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>961,500</u> | <u>1,164,848</u> | <u>203,348</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers (out) | <u>(961,500)</u> | <u>(1,665,000)</u> | <u>(703,500)</u> |
| Total other financing sources (uses) | <u>(961,500)</u> | <u>(1,665,000)</u> | <u>(703,500)</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ -</u> | <u>(500,152)</u> | <u>\$ (500,152)</u> |
| FUND BALANCE, MAY 1 | | <u>1,841,096</u> | |
| FUND BALANCE, APRIL 30 | | <u>\$ 1,340,944</u> | |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2002A CONSTRUCTION FUND**

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|----------------------------|--------------------------------------|------------------|----------------------------------|
| REVENUES | | | |
| Federal grants | \$ - | \$ 103,886 | \$ 103,886 |
| Other | 1,671,000 | 25,000 | (1,646,000) |
| Total revenues | 1,671,000 | 128,886 | (1,542,114) |
| EXPENDITURES | | | |
| Capital outlay | 1,818,000 | 214,221 | (1,603,779) |
| Total expenditures | 1,818,000 | 214,221 | (1,603,779) |
| NET CHANGE IN FUND BALANCE | <u>\$ (147,000)</u> | (85,335) | <u>\$ 61,665</u> |
| FUND BALANCE, MAY 1 | | <u>169,014</u> | |
| FUND BALANCE, APRIL 30 | | <u>\$ 83,679</u> | |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROMEO ROAD TIF DISTRICT FUND**

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual | Variance Over (Under) |
|----------------------------|--------------------------------------|---------------|----------------------------------|
| REVENUES | | | |
| Property taxes | \$ 34,000 | \$ 36,146 | \$ 2,146 |
| Investment income | - | 9 | 9 |
| Total revenues | 34,000 | 36,155 | 2,155 |
| EXPENDITURES | | | |
| General government | | | |
| Contractual | 34,000 | 825 | (33,175) |
| Total expenditures | 34,000 | 825 | (33,175) |
| NET CHANGE IN FUND BALANCE | \$ - | 35,330 | \$ 35,330 |
| FUND BALANCE, MAY 1 | | 100,948 | |
| FUND BALANCE, APRIL 30 | | \$ 136,278 | |

(See independent auditor's report.)

MAJOR ENTERPRISE FUND

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER AND SEWER FUND

For the Year Ended April 30, 2015

| | Original and Final Budget | Actual |
|---------------------------------------|------------------------------|--------------|
| OPERATING REVENUES | | |
| Charges for services | | |
| Water sales | \$ 6,900,000 | \$ 6,474,604 |
| Sewer sales | 8,000,000 | 7,886,273 |
| Fines and fees | | |
| Late charges | 380,000 | 339,207 |
| Other fees | - | 248 |
| Tap on fees | 100,000 | 685,981 |
| Reconnection fees | 55,000 | 53,575 |
| NSF charges | 5,000 | 4,620 |
| Reimbursements | 25,000 | 80,040 |
| Total operating revenues | 15,465,000 | 15,524,548 |
| OPERATING EXPENSES | | |
| Finance administration | | |
| Salaries | 367,000 | 385,295 |
| Contractual services | 153,600 | 185,955 |
| Commodities | 48,000 | 43,883 |
| Other | 2,000 | 1,685 |
| Total finance administration | 570,600 | 616,818 |
| Public works administration | | |
| Contractual services | 479,500 | 557,246 |
| Commodities | 14,500 | 8,692 |
| Bad Debt expense | - | 123,485 |
| Capital outlay | 200,000 | 14,568 |
| Total public works administration | 694,000 | 703,991 |
| Public works water distribution | | |
| Salaries | 1,354,700 | 1,312,203 |
| Contractual services | 1,220,500 | 1,157,591 |
| Commodities | 651,000 | 670,900 |
| Capital outlay | 631,000 | 713,128 |
| Total public works water distribution | 3,857,200 | 3,853,822 |
| Public works sewage treatment | | |
| Salaries | 937,800 | 912,710 |
| Contractual services | 1,411,000 | 1,214,722 |
| Commodities | 209,500 | 176,605 |
| Capital outlay | 385,000 | 446,736 |
| Total public works sewage treatment | 2,943,300 | 2,750,773 |

(This schedule is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (Continued)
WATER AND SEWER FUND

For the Year Ended April 30, 2015

| | <u>Original and Final Budget</u> | <u>Actual</u> |
|--|--------------------------------------|----------------------|
| OPERATING EXPENSES (Continued) | | |
| Public works sewage collection | | |
| Salaries | \$ 945,000 | \$ 921,440 |
| Contractual services | 648,500 | 354,202 |
| Commodities | 67,000 | 51,370 |
| Other | 4,000 | - |
| Capital outlay | 1,059,000 | 401,444 |
| | <u>2,723,500</u> | <u>1,728,456</u> |
| Total public works sewage collection | 2,723,500 | 1,728,456 |
| Subtotal | 10,788,600 | 9,653,860 |
| Administration and other charges | <u>3,060,000</u> | <u>3,060,000</u> |
| Total operating expenses | <u>13,848,600</u> | <u>12,713,860</u> |
| OPERATING INCOME | <u>1,616,400</u> | <u>2,810,688</u> |
| NON-OPERATING REVENUES (EXPENSES) | | |
| Other revenue (expense) | - | (5,521) |
| Grant revenue | - | 136,620 |
| Property tax rebate | (169,000) | (169,738) |
| Sale of fixed assets | - | 38,189 |
| Investment income | 26,000 | 300,876 |
| Interest and principal expense | <u>(4,106,600)</u> | <u>(4,018,507)</u> |
| Total non-operating revenues (expenses) | <u>(4,249,600)</u> | <u>(3,718,081)</u> |
| INCOME (LOSS) BEFORE CONTRIBUTIONS | (2,633,200) | (907,393) |
| CONTRIBUTIONS | <u>-</u> | <u>211,426</u> |
| CHANGE IN NET POSITION - BUDGETARY BASIS | <u>\$ (2,633,200)</u> | <u>(695,967)</u> |
| ADJUSTMENTS TO GAAP BASIS | | |
| Bond principal payments | | 3,204,583 |
| Capitalized assets | | 807,078 |
| Depreciation expense | | <u>(4,606,299)</u> |
| Total adjustments to GAAP basis | | <u>(594,638)</u> |
| CHANGE IN NET POSITION - GAAP BASIS | | (1,290,605) |
| NET POSITION, MAY 1 | | <u>100,437,231</u> |
| NET POSITION, APRIL 30 | | <u>\$ 99,146,626</u> |

(See independent auditor's report.)

FIDUCIARY FUNDS

VILLAGE OF ROMEOVILLE, ILLINOIS

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

April 30, 2015

| | Police Pension | Firefighters' Pension | Total |
|--|---------------------------|----------------------------------|----------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 101,795 | \$ - | \$ 101,795 |
| Investments | | | |
| U.S. Treasury and agency securities | 11,179,523 | 4,007,613 | 15,187,136 |
| Municipal bonds | - | 649,090 | 649,090 |
| Money market mutual funds | 474,231 | 143,127 | 617,358 |
| Equity mutual funds | 22,590,636 | 2,678,868 | 25,269,504 |
| Accrued interest receivable | 38,820 | 41,206 | 80,026 |
| Due from other funds | 8,425 | - | 8,425 |
| Total assets | 34,393,430 | 7,519,904 | 41,913,334 |
| LIABILITIES | | | |
| Accounts payable | 244 | 147 | 391 |
| Due to other funds | - | 123,411 | 123,411 |
| Total liabilities | 244 | 123,558 | 123,802 |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS | \$ 34,393,186 | \$ 7,396,346 | \$ 41,789,532 |

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION TRUST FUNDS

For the Year Ended April 30, 2015

| | Police Pension | Firefighters' Pension | Total |
|--|-------------------|--------------------------|---------------|
| ADDITIONS | | | |
| Contributions | | | |
| Employer | \$ 1,526,555 | \$ 320,115 | \$ 1,846,670 |
| Employee | 559,263 | 169,091 | 728,354 |
| Total contributions | 2,085,818 | 489,206 | 2,575,024 |
| Investment income | | | |
| Net appreciation in fair value of investments | 2,021,825 | 340,739 | 2,362,564 |
| Interest | 629,374 | 127,765 | 757,139 |
| Total investment income | 2,651,199 | 468,504 | 3,119,703 |
| Less investment expense | (290,168) | (28,925) | (319,093) |
| Net investment income | 2,361,031 | 439,579 | 2,800,610 |
| Total additions | 4,446,849 | 928,785 | 5,375,634 |
| DEDUCTIONS | | | |
| Administration | 17,350 | 10,826 | 28,176 |
| Benefits and refunds | | | |
| Benefits | 1,616,149 | 84,178 | 1,700,327 |
| Refunds | - | 7,156 | 7,156 |
| Total deductions | 1,633,499 | 102,160 | 1,735,659 |
| NET INCREASE | 2,813,350 | 826,625 | 3,639,975 |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS | | | |
| May 1 | 31,579,836 | 6,569,721 | 38,149,557 |
| April 30 | \$ 34,393,186 | \$ 7,396,346 | \$ 41,789,532 |

(See independent auditor's report.)

SUPPLEMENTAL DATA

VILLAGE OF ROMEOVILLE, ILLINOIS
SCHEDULE OF DEBT SERVICE REQUIREMENTS
For the Year Ended April 30, 2015

| | Year Ending | Principal | Interest | Total |
|--|------------------------|----------------------|---------------------|----------------------|
| General Obligation Bonds | | | | |
| Dated September 15, 2004 | | | | |
| Refunding Series 2004 | | | | |
| Interest due on June 30 and December 30 at rates of 3.75% to 5.00% | 2016 | \$ 1,075,000 | \$ 43,000 | \$ 1,118,000 |
| | | <u>\$ 1,075,000</u> | <u>\$ 43,000</u> | <u>\$ 1,118,000</u> |
| General Obligation Bonds | | | | |
| Dated September 15, 2005 | | | | |
| Refunding Series 2005 | | | | |
| Interest due on June 15 and December 15 at rates at 3.25% to 3.60% | 2016 | \$ 330,000 | \$ 11,880 | \$ 341,880 |
| | | <u>\$ 330,000</u> | <u>\$ 11,880</u> | <u>\$ 341,880</u> |
| General Obligation Bonds | | | | |
| Dated November 15, 2007 | 2016 | \$ 620,000 | \$ 93,838 | \$ 713,838 |
| Refunding Series 2007A | 2017 | 640,000 | 69,038 | 709,038 |
| Interest due on June 30 and December 30 at rates ranging from 3.75% to 5.25% | 2018 | 675,000 | 35,438 | 710,438 |
| | | <u>\$ 1,935,000</u> | <u>\$ 198,314</u> | <u>\$ 2,133,314</u> |
| General Obligation Bonds | | | | |
| Dated November 15, 2007 | 2016 | \$ - | \$ 543,625 | \$ 543,625 |
| Refunding Series 2007B | 2017 | - | 543,625 | 543,625 |
| Interest due on June 30 | 2018 | 2,000,000 | 543,625 | 2,543,625 |
| and December 30 at rates | 2019 | 2,225,000 | 463,625 | 2,688,625 |
| ranging from 4.000% to 4.375% | 2020 | 3,925,000 | 374,625 | 4,299,625 |
| | 2021 | 4,750,000 | 207,813 | 4,957,813 |
| | | <u>\$ 12,900,000</u> | <u>\$ 2,676,938</u> | <u>\$ 15,576,938</u> |
| General Obligation Bonds | | | | |
| Dated June 30, 2008 | 2016 | \$ 1,575,000 | \$ 273,625 | \$ 1,848,625 |
| Series 2008A | 2017 | 2,050,000 | 214,563 | 2,264,563 |
| Interest due on June 30 | 2018 | 700,000 | 132,563 | 832,563 |
| and December 30 at rates | 2019 | 1,150,000 | 104,563 | 1,254,563 |
| ranging from 3.250% to 4.125% | 2020 | 1,000,000 | 58,563 | 1,058,563 |
| | 2021 | 450,000 | 18,563 | 468,563 |
| | | <u>\$ 6,925,000</u> | <u>\$ 802,440</u> | <u>\$ 7,727,440</u> |

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2015

| | Year Ending | Principal | Interest | Total |
|--|------------------------|----------------------|----------------------|-----------------------|
| General Obligation (Capital Appreciation) Bonds | | | | |
| Dated June 30, 2008 | 2022 | \$ 2,779,425 | \$ 2,720,575 | \$ 5,500,000 |
| Series 2008B | 2023 | 2,846,160 | 3,153,840 | 6,000,000 |
| Interest due on December 30 and | 2024 | 2,675,040 | 3,324,960 | 6,000,000 |
| at rates ranging from 5.12% | 2025 | 2,506,740 | 3,493,260 | 6,000,000 |
| to 5.85% | 2026 | 2,545,205 | 3,954,795 | 6,500,000 |
| | 2027 | 2,390,830 | 4,109,170 | 6,500,000 |
| | 2028 | 2,243,605 | 4,256,395 | 6,500,000 |
| | 2029 | 2,103,400 | 4,396,600 | 6,500,000 |
| | 2030 | 1,974,180 | 4,525,820 | 6,500,000 |
| | 2031 | 1,851,460 | 4,648,540 | 6,500,000 |
| | 2032 | 1,739,010 | 4,760,990 | 6,500,000 |
| | 2033 | 1,640,210 | 4,859,790 | 6,500,000 |
| | 2034 | 1,546,740 | 4,953,260 | 6,500,000 |
| | 2035 | 1,458,275 | 5,041,725 | 6,500,000 |
| | 2036 | 1,374,620 | 5,125,380 | 6,500,000 |
| | 2037 | 1,295,515 | 5,204,485 | 6,500,000 |
| | 2038 | 1,220,765 | 5,279,235 | 6,500,000 |
| | 2039 | 1,136,460 | 5,363,540 | 6,500,000 |
| | 2040 | 1,008,244 | 5,191,756 | 6,200,000 |
| | | 36,335,884 | 84,364,116 | 120,700,000 |
| Accreted Interest | | 15,428,374 | (15,428,374) | - |
| | | <u>\$ 51,764,258</u> | <u>\$ 68,935,742</u> | <u>\$ 120,700,000</u> |
| General Obligation Refunding Bonds | | | | |
| Dated November 3, 2008 | 2016 | \$ 400,000 | \$ 124,095 | \$ 524,095 |
| Refunding Series 2008C | 2017 | 735,000 | 108,495 | 843,495 |
| Interest due on June 30 and | 2018 | 770,000 | 79,830 | 849,830 |
| December 30 at rates of 3.5% | 2019 | 1,245,000 | 49,800 | 1,294,800 |
| to 4.0% | | | | |
| | | <u>\$ 3,150,000</u> | <u>\$ 362,220</u> | <u>\$ 3,512,220</u> |

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2015

| | Year Ending | Principal | Interest | Total |
|---------------------------------|------------------------|----------------------|---------------------|----------------------|
| General Obligation Bonds | | | | |
| Dated May 4, 2009 | 2016 | \$ 260,000 | \$ 225,988 | \$ 485,988 |
| Series 2009 | 2017 | 270,000 | 218,188 | 488,188 |
| Interest due on June 30 | 2018 | 285,000 | 208,738 | 493,738 |
| and December 30 at rates | 2019 | 300,000 | 197,338 | 497,338 |
| ranging from 3.000% to 4.375% | 2020 | 315,000 | 185,338 | 500,338 |
| | 2021 | 330,000 | 172,738 | 502,738 |
| | 2022 | 345,000 | 159,538 | 504,538 |
| | 2023 | 365,000 | 145,737 | 510,737 |
| | 2024 | 380,000 | 131,137 | 511,137 |
| | 2025 | 400,000 | 115,937 | 515,937 |
| | 2026 | 420,000 | 99,537 | 519,537 |
| | 2027 | 440,000 | 82,212 | 522,212 |
| | 2028 | 465,000 | 63,512 | 528,512 |
| | 2029 | 490,000 | 43,750 | 533,750 |
| | 2030 | 510,000 | 22,312 | 532,312 |
| | | <u>\$ 5,575,000</u> | <u>\$ 2,072,000</u> | <u>\$ 7,647,000</u> |
| General Obligation Bonds | | | | |
| Dated October 10, 2012 | 2016 | \$ 200,000 | \$ 11,600 | \$ 211,600 |
| Refunding Series 2012A | 2017 | 210,000 | 7,600 | 217,600 |
| Interest due on June 30 and | 2018 | 170,000 | 3,400 | 173,400 |
| December 30 at rates of 2% | | <u>\$ 580,000</u> | <u>\$ 22,600</u> | <u>\$ 602,600</u> |
| General Obligation Bonds | | | | |
| Dated October 10, 2012 | 2016 | \$ 535,000 | \$ 35,500 | \$ 570,500 |
| Refunding Series 2012B | 2017 | 595,000 | 24,800 | 619,800 |
| Interest due on June 30 and | 2018 | 645,000 | 12,900 | 657,900 |
| December 30 at rates of 2% | | <u>\$ 1,775,000</u> | <u>\$ 73,200</u> | <u>\$ 1,848,200</u> |
| General Obligation Bonds | | | | |
| Dated July 30, 2013 | 2016 | \$ 1,120,000 | \$ 379,790 | \$ 1,499,790 |
| Series 2013A | 2017 | 1,140,000 | 351,790 | 1,491,790 |
| Interest due on June 30 | 2018 | 1,180,000 | 323,290 | 1,503,290 |
| and December 30 at rates | 2019 | 1,200,000 | 290,840 | 1,490,840 |
| ranging from 2.5% to 4.1% | 2020 | 1,225,000 | 254,840 | 1,479,840 |
| | 2021 | 1,255,000 | 215,028 | 1,470,028 |
| | 2022 | 1,310,000 | 174,240 | 1,484,240 |
| | 2023 | 1,345,000 | 128,390 | 1,473,390 |
| | 2024 | 1,380,000 | 78,625 | 1,458,625 |
| | 2025 | 605,000 | 24,805 | 629,805 |
| | | <u>\$ 11,760,000</u> | <u>\$ 2,221,638</u> | <u>\$ 13,981,638</u> |

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2015

| | Year Ending | Principal | Interest | Total |
|---|------------------------|----------------------|---------------------|----------------------|
| General Obligation Bonds | | | | |
| Dated July 30, 2013 | 2016 | \$ - | \$ 87,000 | \$ 87,000 |
| Series 2013B | 2017 | - | 87,000 | 87,000 |
| Interest due on June 30 | 2018 | - | 87,000 | 87,000 |
| and December 30 at rates | 2019 | - | 87,000 | 87,000 |
| of 4% | 2020 | - | 87,000 | 87,000 |
| | 2021 | - | 87,000 | 87,000 |
| | 2022 | - | 87,000 | 87,000 |
| | 2023 | - | 87,000 | 87,000 |
| | 2024 | - | 87,000 | 87,000 |
| | 2025 | 725,000 | 87,000 | 812,000 |
| | 2026 | 1,450,000 | 58,000 | 1,508,000 |
| | | <u>\$ 2,175,000</u> | <u>\$ 928,000</u> | <u>\$ 3,103,000</u> |
| General Obligation Refunding Bonds | | | | |
| Dated November 3, 2014 | 2016 | \$ 1,010,000 | \$ 334,179 | \$ 1,344,179 |
| Series 2014 | 2017 | 2,210,000 | 258,200 | 2,468,200 |
| Interest due on June 30 | 2018 | 2,220,000 | 191,900 | 2,411,900 |
| and December 30 at rates | 2019 | 1,345,000 | 125,300 | 1,470,300 |
| ranging from 3% to 4% | 2020 | 370,000 | 84,950 | 454,950 |
| | 2021 | 380,000 | 73,850 | 453,850 |
| | 2022 | 395,000 | 62,450 | 457,450 |
| | 2023 | 405,000 | 50,600 | 455,600 |
| | 2024 | 420,000 | 34,400 | 454,400 |
| | 2025 | 440,000 | 17,600 | 457,600 |
| | | <u>\$ 9,195,000</u> | <u>\$ 1,233,429</u> | <u>\$ 10,428,429</u> |
| Note Payable | | | | |
| Dated August 1, 2008 | 2016 | \$ 1,239,303 | \$ 461,846 | \$ 1,701,149 |
| Illinois Environmental Protection | 2017 | 1,270,480 | 430,670 | 1,701,150 |
| Agency Loan | 2018 | 1,302,440 | 398,710 | 1,701,150 |
| Interest due on June 1 and | 2019 | 1,335,205 | 365,945 | 1,701,150 |
| December 1 at a rate of 2.5% | 2020 | 1,368,793 | 332,356 | 1,701,149 |
| | 2021 | 1,403,227 | 297,923 | 1,701,150 |
| | 2022 | 1,438,527 | 262,623 | 1,701,150 |
| | 2023 | 1,474,715 | 226,435 | 1,701,150 |
| | 2024 | 1,511,813 | 189,337 | 1,701,150 |
| | 2025 | 1,549,845 | 151,305 | 1,701,150 |
| | 2026 | 1,588,833 | 112,317 | 1,701,150 |
| | 2027 | 1,628,802 | 72,348 | 1,701,150 |
| | 2028 | 1,669,777 | 31,373 | 1,701,150 |
| | | <u>\$ 18,781,760</u> | <u>\$ 3,333,188</u> | <u>\$ 22,114,948</u> |

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2015

| | Year Ending | Principal | Interest | Total |
|---|----------------|---------------------|------------------|---------------------|
| Note Payable | | | | |
| Dated March 5, 2015 | 2016 | \$ 75,000 | \$ - | \$ 75,000 |
| Will County Note Payable | 2017 | 75,000 | - | 75,000 |
| Principal due on December 31 | 2018 | 75,000 | - | 75,000 |
| at a rate of 0% | 2019 | 75,000 | - | 75,000 |
| | 2020 | 75,000 | - | 75,000 |
| | 2021 | 75,000 | - | 75,000 |
| | 2022 | 1,319,790 | - | 1,319,790 |
| | | <u>\$ 1,769,790</u> | <u>\$ -</u> | <u>\$ 1,769,790</u> |
| Capital Lease | | | | |
| Dated August 25, 2009 | 2016 | \$ 18,783 | \$ 6,819 | \$ 25,602 |
| 2009 Fire Training Facility | 2017 | 19,984 | 5,618 | 25,602 |
| Principal and Interest due on August 25 | 2018 | 21,260 | 4,342 | 25,602 |
| at rates of 6.39% | 2019 | 22,619 | 2,983 | 25,602 |
| | 2020 | 24,065 | 1,538 | 25,603 |
| | | <u>\$ 106,711</u> | <u>\$ 21,300</u> | <u>\$ 128,011</u> |
| Capital Lease | | | | |
| Dated August 1, 2012 | 2016 | \$ 40,931 | \$ 6,576 | \$ 47,507 |
| 2012 Pierce Arrow XT Pumper | 2017 | 41,916 | 7,591 | 49,507 |
| Principal and Interest due on August 1 | 2018 | 42,925 | 6,582 | 49,507 |
| at rates of 2.41% | 2019 | 43,957 | 5,549 | 49,506 |
| | 2020 | 45,015 | 4,492 | 49,507 |
| | 2021 | 46,098 | 3,409 | 49,507 |
| | 2022 | 47,208 | 2,299 | 49,507 |
| | 2023 | 48,345 | 1,163 | 49,508 |
| | | <u>\$ 356,395</u> | <u>\$ 37,661</u> | <u>\$ 394,056</u> |
| Capital Lease | | | | |
| Dated December 14, 2012 | 2016 | \$ 34,173 | \$ 1,911 | \$ 36,084 |
| 2012 Elgin Eagle Street Sweeper | 2017 | 34,641 | 1,443 | 36,084 |
| Principal and Interest due on December 14 | 2018 | 35,115 | 969 | 36,084 |
| at rates of 1.37% | 2019 | 35,598 | 488 | 36,086 |
| | | <u>\$ 139,527</u> | <u>\$ 4,811</u> | <u>\$ 144,338</u> |

(This schedule is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2015

| | Year Ending | Principal | Interest | Total |
|--|------------------------|-------------------|-----------------|-------------------|
| Capital Lease | | | | |
| Dated February 1, 2013 | 2016 | \$ 34,641 | \$ 1,443 | \$ 36,084 |
| 2013 Medtec Ford F450 Ambulance | 2017 | 35,116 | 969 | 36,085 |
| Principal and Interest due on February 1 | 2018 | 35,596 | 488 | 36,084 |
| at rates of 1.37% | | <u>\$ 105,353</u> | <u>\$ 2,900</u> | <u>\$ 108,253</u> |
| Capital Lease | | | | |
| Dated January 27, 2014 | 2016 | \$ 5,618 | \$ - | \$ 5,618 |
| 2014 Five (5) Treadmills | 2017 | 5,618 | - | 5,618 |
| Principal and Interest due on August 1 and | 2018 | 5,618 | - | 5,618 |
| February 1 at rates of 0% | 2019 | 2,806 | - | 2,806 |
| | | <u>\$ 19,660</u> | <u>\$ -</u> | <u>\$ 19,660</u> |
| Capital Lease | | | | |
| Dated February 5, 2014 | | | | |
| 2014 Twelve (12) Cardiac Monitors | 2016 | \$ 31,709 | \$ - | \$ 31,709 |
| Principal and Interest due on March 7 | | <u>\$ 31,709</u> | <u>\$ -</u> | <u>\$ 31,709</u> |
| at rates of 0% | | | | |

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Village of Romeoville, Illinois' 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.

| <u>Contents</u> | <u>Page(s)</u> |
|---|----------------|
| 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. | 114-123 |
| Revenue Capacity These schedules contain information to help the reader assess the Village's property tax. | 124-127 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future. | 128-131 |
| 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. | 132-133 |
| 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. | 134-138 |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

VILLAGE OF ROMEOVILLE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

| | 2015 | 2014 | 2013 | 2012 |
|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Net investment in capital assets | \$ 263,931,875 | \$ 266,143,014 | \$ 256,950,797 | \$ 251,491,187 |
| Restricted | 3,288,122 | 4,815,450 | 2,513,686 | 7,228,622 |
| Unrestricted | 4,856,829 | 1,024,779 | 4,517,245 | 11,095,994 |
| TOTAL GOVERNMENTAL ACTIVITIES | \$ 272,076,826 | \$ 271,983,243 | \$ 263,981,728 | \$ 269,815,803 |
| BUSINESS-TYPE ACTIVITIES | | | | |
| Net investment in capital assets | \$ 90,261,491 | \$ 90,952,810 | \$ 86,897,837 | \$ 85,140,129 |
| Restricted | - | - | - | - |
| Unrestricted | 8,885,135 | 9,484,421 | 12,410,766 | 15,350,507 |
| TOTAL BUSINESS-TYPE ACTIVITIES | \$ 99,146,626 | \$ 100,437,231 | \$ 99,308,603 | \$ 100,490,636 |
| PRIMARY GOVERNMENT | | | | |
| Net investment in capital assets | \$ 354,193,366 | \$ 357,095,824 | \$ 343,848,634 | \$ 336,631,316 |
| Restricted | 3,288,122 | 4,815,450 | 2,513,686 | 7,228,622 |
| Unrestricted | 13,741,964 | 10,509,200 | 16,928,011 | 26,446,501 |
| TOTAL PRIMARY GOVERNMENT | \$ 371,223,452 | \$ 372,420,474 | \$ 363,290,331 | \$ 370,306,439 |

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|----------------|----------------|----------------|----------------|----------------|----------------|
| \$ 250,373,273 | \$ 254,221,831 | \$ 249,592,572 | \$ 247,693,990 | \$ 236,735,160 | \$ 235,173,862 |
| 12,901,961 | 164,830 | 993,014 | 1,484,645 | 1,495,636 | 10,454,082 |
| 5,802,877 | 10,044,146 | 17,887,749 | 21,974,302 | 24,675,917 | 10,536,596 |
| \$ 269,078,111 | \$ 264,430,807 | \$ 268,473,335 | \$ 271,152,937 | \$ 262,906,713 | \$ 256,164,540 |
| \$ 82,814,080 | \$ 75,306,997 | \$ 74,356,474 | \$ 69,796,095 | \$ 63,299,333 | \$ 61,637,627 |
| - | - | - | - | - | - |
| 19,521,288 | 24,898,401 | 28,761,335 | 34,869,525 | 36,036,802 | 33,832,386 |
| \$ 102,335,368 | \$ 100,205,398 | \$ 103,117,809 | \$ 104,665,620 | \$ 99,336,135 | \$ 95,470,013 |
| \$ 333,187,353 | \$ 329,528,828 | \$ 323,949,046 | \$ 317,490,085 | \$ 300,034,493 | \$ 296,811,489 |
| 12,901,961 | 164,830 | 993,014 | 1,484,645 | 1,495,636 | 10,454,082 |
| 25,324,165 | 34,942,547 | 46,649,084 | 56,843,827 | 60,712,719 | 44,368,982 |
| \$ 371,413,479 | \$ 364,636,205 | \$ 371,591,144 | \$ 375,818,557 | \$ 362,242,848 | \$ 351,634,553 |

VILLAGE OF ROMEOVILLE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

| | 2015 | 2014 | 2013 | 2012 |
|---|------------------------|------------------------|------------------------|------------------------|
| EXPENSES | | | | |
| Governmental activities | | | | |
| General government | \$ 16,251,079 | \$ 16,119,829 | \$ 16,820,623 | \$ 12,455,151 |
| Public safety | 19,131,969 | 19,536,832 | 17,977,351 | 17,685,337 |
| Public works | 15,310,857 | 12,093,817 | 11,677,451 | 13,274,353 |
| Culture and recreation | 4,277,124 | 4,193,048 | 3,934,308 | 3,844,491 |
| Interest and fiscal charges on long-term debt | 4,794,913 | 4,959,369 | 4,289,449 | 4,342,536 |
| Total governmental activities expenses | 59,765,942 | 56,902,895 | 54,699,182 | 51,601,868 |
| Business-type activities | | | | |
| Water and sewer | 17,496,743 | 16,763,602 | 15,935,142 | 16,468,462 |
| Total business-type activities expenses | 17,496,743 | 16,763,602 | 15,935,142 | 16,468,462 |
| TOTAL PRIMARY GOVERNMENT EXPENSES | \$ 77,262,685 | \$ 73,666,497 | \$ 70,634,324 | \$ 68,070,330 |
| PROGRAM REVENUES | | | | |
| Governmental activities | | | | |
| Charges for services | | | | |
| General government | \$ 1,268,676 | \$ 1,269,554 | \$ 1,407,156 | \$ 1,588,325 |
| Public safety | 3,274,051 | 3,093,646 | 3,186,635 | 3,095,784 |
| Public works | 5,541,431 | 5,484,531 | 4,751,868 | 3,608,476 |
| Culture and recreation | 970,556 | 895,577 | 792,802 | 795,660 |
| Operating grants and contributions | 1,248,429 | 1,364,140 | 1,287,635 | 1,238,064 |
| Capital grants and contributions | 2,330,934 | 7,505,925 | 1,998,465 | 4,358,514 |
| Total governmental activities program revenues | 14,634,077 | 19,613,373 | 13,424,561 | 14,684,823 |
| Business-type activities | | | | |
| Charges for services | | | | |
| Water and sewer | 15,524,548 | 15,411,379 | 14,732,596 | 13,467,211 |
| Operating grants and contributions | 136,620 | - | - | - |
| Capital grants and contributions | 211,426 | 2,430,283 | 53,175 | 744,821 |
| Total business-type activities program revenues | 15,872,594 | 17,841,662 | 14,785,771 | 14,212,032 |
| TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES | \$ 30,506,671 | \$ 37,455,035 | \$ 28,210,332 | \$ 28,896,855 |
| NET REVENUE (EXPENSE) | | | | |
| Governmental activities | \$ (45,131,865) | \$ (37,289,522) | \$ (41,274,621) | \$ (36,917,045) |
| Business-type activities | (1,624,149) | 1,078,060 | (1,149,371) | (2,256,430) |
| TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE) | \$ (46,756,014) | \$ (36,211,462) | \$ (42,423,992) | \$ (39,173,475) |

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| \$ 12,632,798 | \$ 11,028,906 | \$ 11,890,523 | \$ 12,924,376 | \$ 9,885,069 | \$ 9,682,034 |
| 16,816,092 | 18,573,007 | 18,270,997 | 16,969,357 | 14,775,858 | 13,243,482 |
| 10,596,797 | 11,092,991 | 11,789,575 | 11,571,939 | 11,498,635 | 7,865,545 |
| 3,469,413 | 4,345,424 | 4,296,423 | 3,845,945 | 2,971,666 | 2,817,146 |
| 4,264,055 | 4,320,124 | 2,991,639 | 1,576,678 | 1,282,222 | 1,612,149 |
| 47,779,155 | 49,360,452 | 49,239,157 | 46,888,295 | 40,413,450 | 35,220,356 |
| 15,623,988 | 13,072,465 | 13,145,150 | 11,782,676 | 11,327,387 | 12,312,224 |
| 15,623,988 | 13,072,465 | 13,145,150 | 11,782,676 | 11,327,387 | 12,312,224 |
| \$ 63,403,143 | \$ 62,432,917 | \$ 62,384,307 | \$ 58,670,971 | \$ 51,740,837 | \$ 47,532,580 |
| \$ 1,257,540 | \$ 1,998,582 | \$ 2,709,581 | \$ 3,600,123 | \$ 3,581,795 | \$ 2,733,700 |
| 2,976,097 | 1,463,849 | 1,341,973 | 2,457,148 | 2,248,769 | 1,631,370 |
| 3,843,912 | 2,782,267 | 2,711,254 | 3,105,538 | 3,138,242 | 2,735,665 |
| 741,042 | 860,826 | 909,796 | 878,175 | 884,973 | 881,018 |
| 1,461,476 | 2,244,206 | 2,696,283 | 1,813,614 | 2,054,513 | 1,154,808 |
| 5,600,719 | 220,000 | 147,816 | 6,201,633 | 1,124,085 | 3,498,905 |
| 15,880,786 | 9,569,730 | 10,516,703 | 18,056,231 | 13,032,377 | 12,635,466 |
| 12,968,546 | 12,298,995 | 13,071,390 | 13,743,313 | 15,238,436 | 14,940,819 |
| 2,342,204 | 1,235 | 144,228 | 3,470,541 | - | 975,270 |
| 15,310,750 | 12,300,230 | 13,215,618 | 17,213,854 | 15,238,436 | 15,916,089 |
| \$ 31,191,536 | \$ 21,869,960 | \$ 23,732,321 | \$ 35,270,085 | \$ 28,270,813 | \$ 28,551,555 |
| \$ (31,898,369) | \$ (39,790,722) | \$ (38,722,454) | \$ (28,832,064) | \$ (27,381,073) | \$ (22,584,890) |
| (313,238) | (772,235) | 70,468 | 5,431,178 | 3,911,049 | 3,603,865 |
| \$ (32,211,607) | \$ (40,562,957) | \$ (38,651,986) | \$ (23,400,886) | \$ (23,470,024) | \$ (18,981,025) |

VILLAGE OF ROMEOVILLE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

| | 2015 | 2014 | 2013 | 2012 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| GENERAL REVENUES AND OTHER CHANGES IN NET POSITION | | | | |
| Governmental activities | | | | |
| Taxes | | | | |
| Property and replacement | \$ 15,269,571 | \$ 15,546,578 | \$ 15,722,079 | \$ 15,279,544 |
| Sales | 10,955,120 | 9,893,380 | 9,146,375 | 9,365,911 |
| Use | 818,410 | 696,169 | 636,785 | 579,133 |
| Telecommunications | 1,142,883 | 1,323,373 | 1,298,127 | 1,492,567 |
| Utility | 6,022,872 | 5,959,246 | 5,477,963 | 4,764,214 |
| Income | 3,886,045 | 3,866,664 | 3,575,982 | 3,204,848 |
| Hotel/Motel | 400,345 | 290,454 | 247,872 | 247,557 |
| Other | 2,210,611 | 1,425,637 | 1,183,935 | 2,077,464 |
| Investment income | 64,959 | 35,369 | 40,976 | 45,020 |
| Miscellaneous | 165,667 | 130,520 | 80,452 | 550,066 |
| Transfers | - | - | - | - |
| Special item | 4,288,965 | - | - | - |
| Total governmental activities | 45,225,448 | 39,167,390 | 37,410,546 | 37,606,324 |
| Business-type activities | | | | |
| Investment income | 300,876 | (16,177) | 136,471 | 405,586 |
| Miscellaneous | 32,668 | 66,745 | 29,060 | 6,112 |
| Transfers | - | - | - | - |
| Total business-type activities | 333,544 | 50,568 | 165,531 | 411,698 |
| TOTAL PRIMARY GOVERNMENT | \$ 45,558,992 | \$ 39,217,958 | \$ 37,576,077 | \$ 38,018,022 |
| CHANGE IN NET POSITION | | | | |
| Governmental activities | \$ 93,583 | \$ 1,877,868 | \$ (3,864,075) | \$ 689,279 |
| Business-type activities | (1,290,605) | 1,128,628 | (983,840) | (1,844,732) |
| Total primary governmental change in net position | (1,197,022) | 3,006,496 | (4,847,915) | (1,155,453) |
| Prior period adjustment | - | 6,123,647 | (2,168,193) | 48,413 |
| NET POSITION - BEGINNING OF YEAR | 372,420,474 | 363,290,331 | 370,306,439 | 371,413,479 |
| NET POSITION - END OF YEAR | \$ 371,223,452 | \$ 372,420,474 | \$ 363,290,331 | \$ 370,306,439 |

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|----|-------------|----------------|----------------|----------------|----------------|----------------|
| \$ | 15,032,052 | \$ 14,820,536 | \$ 13,707,382 | \$ 12,823,603 | \$ 11,719,087 | \$ 10,545,435 |
| | 9,025,865 | 7,356,280 | 7,491,063 | 7,138,892 | 6,191,611 | 6,303,412 |
| | 537,844 | 439,689 | 521,046 | 408,546 | 468,283 | 408,546 |
| | 1,443,900 | 1,460,674 | 1,487,257 | 1,589,861 | 1,447,401 | 1,589,861 |
| | 4,920,460 | 3,554,178 | 3,874,144 | 3,630,110 | 3,586,064 | 4,051,687 |
| | 2,862,078 | 2,785,961 | 3,172,690 | 3,451,028 | 3,153,839 | 2,674,230 |
| | 242,785 | 252,844 | 300,235 | 471,946 | 256,974 | 184,719 |
| | 1,677,997 | 1,919,200 | 1,910,096 | 3,255,146 | 3,136,195 | 2,354,971 |
| | 246,285 | 367,726 | 871,853 | 1,673,281 | 1,835,921 | 1,122,144 |
| | 78,056 | 191,106 | 227,086 | 250,875 | 159,271 | 78,517 |
| | - | 2,600,000 | 2,480,000 | 2,385,000 | 2,168,600 | 2,020,000 |
| | - | - | - | - | - | - |
| | 36,067,322 | 35,748,194 | 36,042,852 | 37,078,288 | 34,123,246 | 31,333,522 |
| | 437,201 | 459,824 | 846,147 | 1,229,074 | 1,220,508 | 870,102 |
| | 374,684 | - | 15,574 | 1,054,233 | 903,165 | 591,350 |
| | - | (2,600,000) | (2,480,000) | (2,385,000) | (2,168,600) | (2,020,000) |
| | 811,885 | (2,140,176) | (1,618,279) | (101,693) | (44,927) | (558,548) |
| \$ | 36,879,207 | \$ 33,608,018 | \$ 34,424,573 | \$ 36,976,595 | \$ 34,078,319 | \$ 30,774,974 |
| \$ | 4,168,953 | \$ (4,042,528) | \$ (2,679,602) | \$ 8,246,224 | \$ 6,742,173 | \$ 8,748,632 |
| | 498,647 | (2,912,411) | (1,547,811) | 5,329,485 | 3,866,122 | 3,045,317 |
| | 4,667,600 | (6,954,939) | (4,227,413) | 13,575,709 | 10,608,295 | 11,793,949 |
| | 2,109,674 | - | - | - | - | - |
| | 364,636,205 | 371,591,144 | 375,818,557 | 362,242,848 | 351,634,553 | 339,840,604 |
| \$ | 371,413,479 | \$ 364,636,205 | \$ 371,591,144 | \$ 375,818,557 | \$ 362,242,848 | \$ 351,634,553 |

VILLAGE OF ROMEOVILLE, ILLINOIS
FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

| Fiscal Year | 2015 | 2014 | 2013 | 2012 |
|---|----------------------|----------------------|----------------------|----------------------|
| GENERAL FUND | | | | |
| Unassigned | \$ 20,675,671 | \$ 17,996,239 | \$ 16,406,975 | \$ 14,971,672 |
| Reserved | - | - | - | - |
| Unreserved | - | - | - | - |
| TOTAL GENERAL FUND | \$ 20,675,671 | \$ 17,996,239 | \$ 16,406,975 | \$ 14,971,672 |
| ALL OTHER GOVERNMENTAL FUNDS | | | | |
| Nonspendable | \$ - | \$ - | \$ 499,033 | \$ 760,333 |
| Restricted | 3,288,122 | 4,815,450 | 2,513,686 | 7,228,622 |
| Assigned | 6,915,001 | 1,751,815 | 3,040,094 | 4,436,631 |
| Reserved | - | - | - | - |
| Unreserved, reported in | | | | |
| Special revenue funds | - | - | - | - |
| Debt service funds | - | - | - | - |
| Capital project funds | - | - | - | - |
| TOTAL ALL OTHER GOVERNMENTAL FUNDS | \$ 10,203,123 | \$ 6,567,265 | \$ 6,052,813 | \$ 12,425,586 |

Note: Governmental Accounting Standards Board Statement No. 54 was implemented at April 30, 2012.

Data Source

Audited Financial Statements

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|---------------|---------------|---------------|---------------|---------------|---------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | 472,853 | 817,514 | 220,472 | 265,891 | 633,097 |
| 12,913,655 | 8,903,411 | 10,200,416 | 10,828,117 | 10,687,479 | 7,760,102 |
| \$ 12,913,655 | \$ 9,376,264 | \$ 11,017,930 | \$ 11,048,589 | \$ 10,953,370 | \$ 8,393,199 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 13,923,594 | 20,553,771 | 45,624,815 | 17,573,339 | 17,913,223 | 17,186,408 |
| (20,221) | (419,111) | (763,806) | (167,332) | (265,891) | (601,412) |
| - | (2,392) | - | - | - | - |
| - | (754) | - | - | (6,401,372) | - |
| \$ 13,903,373 | \$ 20,131,514 | \$ 44,861,009 | \$ 17,406,007 | \$ 11,245,960 | \$ 16,584,996 |

VILLAGE OF ROMEOVILLE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

| | 2015 | 2014 | 2013 | 2012 |
|--|---------------|---------------|----------------|---------------|
| REVENUES | | | | |
| Property taxes | \$ 14,899,310 | \$ 15,186,189 | \$ 15,081,826 | \$ 15,135,292 |
| Other taxes | 21,553,488 | 19,608,305 | 17,970,958 | 18,526,587 |
| Fines and forfeits | 525,809 | 652,242 | 623,118 | 853,511 |
| Licenses and permits | 2,239,902 | 2,246,099 | 1,540,449 | 761,008 |
| Charges for services | 6,570,453 | 6,239,227 | 5,973,911 | 5,448,356 |
| Intergovernmental | 6,876,406 | 7,151,987 | 6,572,704 | 6,763,999 |
| Investment income | 64,959 | 35,369 | 40,976 | 45,020 |
| Other | 2,843,481 | 2,170,564 | 2,842,872 | 1,718,868 |
| Total revenues | 55,573,808 | 53,289,982 | 50,646,814 | 49,252,641 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 11,679,424 | 13,277,239 | 15,200,174 | 10,276,541 |
| Public safety | 17,878,688 | 17,657,940 | 16,884,123 | 16,459,782 |
| Public works | 9,336,352 | 9,149,870 | 8,829,149 | 8,743,358 |
| Recreation | 3,964,195 | 3,600,130 | 3,408,063 | 3,215,119 |
| Allocations to water and sewer fund | (3,060,000) | (3,000,000) | (2,845,000) | (2,790,000) |
| Capital outlay | 8,543,839 | 20,163,557 | 10,037,710 | 8,229,834 |
| Debt service | | | | |
| Principal | 5,874,571 | 3,550,370 | 2,984,621 | 2,630,149 |
| Interest and fiscal charges | 2,093,303 | 1,948,524 | 1,954,015 | 1,960,867 |
| Bond issuance costs | 125,748 | 339,669 | - | - |
| Total expenditures | 56,436,120 | 66,687,299 | 56,452,855 | 48,725,650 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (862,312) | (13,397,317) | (5,806,041) | 526,991 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Issuance of bonds | 7,308,233 | 15,045,000 | - | - |
| Premium on bonds issued | 677,639 | 299,329 | - | - |
| Issuance of refunding bonds | - | - | 2,750,000 | - |
| Premium on refunding bonds | - | - | 89,846 | - |
| Payments to escrow agent | (7,860,124) | - | (2,803,963) | - |
| Capital leases issued | - | 114,828 | 818,206 | - |
| Notes payable issued | 2,747,915 | - | - | - |
| Sale of capital assets | 14,975 | 41,876 | 14,482 | 4,826 |
| Transfers in | 11,673,868 | 6,630,665 | 8,222,204 | 7,090,363 |
| Transfers (out) | (11,673,868) | (6,630,665) | (8,222,204) | (7,090,363) |
| Total other financing sources (uses) | 2,888,638 | 15,501,033 | 868,571 | 4,826 |
| SPECIAL ITEM | 4,288,965 | - | - | - |
| NET CHANGE IN FUND BALANCE | \$ 6,315,291 | \$ 2,103,716 | \$ (4,937,470) | \$ 531,817 |
| DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES | 14.7% | 11.3% | 10.6% | 11.3% |

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|----------------|-----------------|---------------|---------------|----------------|---------------|
| \$ 14,815,103 | \$ 14,820,536 | \$ 13,707,382 | \$ 12,823,603 | \$ 11,719,087 | \$ 10,545,435 |
| 17,846,841 | 14,824,767 | 15,418,734 | 16,305,127 | 14,917,896 | 14,687,211 |
| 842,300 | 752,175 | 645,190 | 819,899 | 667,587 | 422,347 |
| 901,880 | 797,229 | 1,568,431 | 2,499,650 | 2,551,767 | 1,664,456 |
| 5,383,469 | 4,877,269 | 4,888,901 | 5,106,576 | 5,032,447 | 4,454,762 |
| 6,593,745 | 3,889,790 | 6,034,080 | 5,454,016 | 5,376,984 | 4,035,023 |
| 246,285 | 367,726 | 871,853 | 1,673,281 | 1,835,921 | 1,093,578 |
| 1,032,134 | 1,089,957 | 944,984 | 3,137,965 | 2,885,334 | 3,362,111 |
| 47,661,757 | 41,419,449 | 44,079,555 | 47,820,117 | 44,987,023 | 40,264,923 |
| 10,279,604 | 9,337,741 | 9,764,037 | 10,016,681 | 7,560,105 | 7,956,448 |
| 16,104,041 | 15,574,310 | 15,233,202 | 14,210,531 | 12,179,167 | 10,820,900 |
| 8,478,126 | 8,264,865 | 7,989,078 | 7,826,204 | 6,512,561 | 5,883,112 |
| 3,112,875 | 3,650,743 | 3,610,345 | 3,199,821 | 2,516,395 | 2,377,060 |
| (2,710,000) | (2,600,000) | (2,480,000) | (2,385,000) | (2,168,600) | (2,020,000) |
| 12,437,256 | 36,172,185 | 25,003,027 | 20,835,085 | 19,167,261 | 7,509,034 |
| 2,553,378 | 1,882,280 | 1,451,205 | 1,210,033 | 1,244,268 | 924,915 |
| 2,107,777 | 2,310,980 | 1,690,968 | 1,343,505 | 1,295,110 | 1,208,671 |
| - | 82,506 | 1,701,082 | 186,914 | 13,000 | - |
| 52,363,057 | 74,675,610 | 63,962,944 | 56,443,774 | 48,319,267 | 34,660,140 |
| (4,701,300) | (33,256,161) | (19,883,389) | (8,623,657) | (3,332,244) | 5,604,783 |
| - | 6,700,000 | 47,135,884 | 12,900,000 | - | - |
| - | - | - | 23,147 | - | - |
| 2,460,000 | - | - | - | - | - |
| 38,946 | - | - | - | - | - |
| (2,391,196) | - | - | - | - | - |
| - | 185,000 | 171,848 | - | 553,379 | 756,199 |
| - | - | - | - | - | - |
| 37,691 | - | - | 1,955,776 | - | - |
| 5,501,664 | 4,725,139 | 4,684,145 | 11,781,318 | 6,358,603 | 3,785,000 |
| (5,501,664) | (4,725,139) | (4,684,145) | (11,781,318) | (6,358,603) | (3,785,000) |
| 145,441 | 6,885,000 | 47,307,732 | 14,878,923 | 553,379 | 756,199 |
| - | - | - | - | - | - |
| \$ (4,555,859) | \$ (26,371,161) | \$ 27,424,343 | \$ 6,255,266 | \$ (2,778,865) | \$ 6,360,982 |
| 11.7% | 10.9% | 8.1% | 7.2% | 8.7% | 7.9% |

VILLAGE OF ROMEOVILLE, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

| Levy Year | Residential Property | Farm Property | Commercial Property | Industrial Property | Railroad Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Estimated Actual Taxable Value |
|-----------|----------------------|---------------|---------------------|---------------------|-------------------|------------------------------|-----------------------|--------------------------------|--------------------------------|
| 2014 | \$ 479,245,446 | \$ 426,230 | \$ 113,584,962 | \$ 444,332,779 | \$ 306,468 | \$ 1,037,895,885 | 1.3278 | \$ 3,113,687,655 | 33.33% |
| 2013 | 489,085,405 | 335,365 | 103,124,075 | 440,699,411 | 306,855 | 1,033,551,111 | 1.3086 | 3,100,653,333 | 33.33% |
| 2012 | 536,896,483 | 362,892 | 107,944,426 | 449,467,441 | 286,429 | 1,094,957,671 | 1.2293 | 3,284,873,013 | 33.33% |
| 2011 | 593,012,119 | 311,695 | 114,159,834 | 456,400,661 | 271,276 | 1,164,155,585 | 1.1593 | 3,492,466,755 | 33.33% |
| 2010 | 684,151,001 | 257,950 | 120,416,770 | 471,631,539 | 227,501 | 1,276,684,761 | 1.0591 | 3,830,054,283 | 33.33% |
| 2009 | 733,878,032 | 283,268 | 115,555,659 | 370,719,405 | 201,870 | 1,220,638,234 | 1.0170 | 3,661,914,702 | 33.33% |
| 2008 | 753,787,195 | 230,370 | 113,887,137 | 360,191,096 | 167,182 | 1,228,262,980 | 1.0200 | 3,684,788,940 | 33.33% |
| 2007 | 720,554,943 | 248,143 | 99,020,817 | 305,945,464 | 140,106 | 1,125,909,473 | 1.0200 | 3,377,728,419 | 33.33% |
| 2006 | 674,036,827 | 308,888 | 73,094,888 | 266,180,102 | 131,137 | 1,013,751,842 | 1.0390 | 3,041,255,526 | 33.33% |
| 2005 | 605,668,990 | 1,540,686 | 64,905,424 | 221,990,396 | 129,612 | 894,235,108 | 1.0400 | 2,682,705,324 | 33.33% |

Note: Property is assessed at 33% of actual value.

Data Source

Will County Clerk

VILLAGE OF ROMEDEVILLE, ILLINOIS

SCHEDULE OF PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS WILL COUNTY

Last Ten Levy Years

| Tax Levy Year | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|---|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|
| Direct | | | | | | | | | | |
| Corporate | 0.3027 | 0.3016 | 0.2723 | 0.2610 | 0.2382 | 0.1871 | 0.2019 | 0.2012 | 0.2163 | 0.1925 |
| Street and bridge | 0.0304 | 0.0305 | 0.0288 | 0.0271 | 0.0247 | 0.0208 | 0.0224 | 0.0227 | 0.0232 | 0.0235 |
| Special recreation | 0.0200 | 0.0200 | 0.0200 | 0.0200 | 0.0200 | 0.0300 | 0.0300 | 0.0300 | 0.0300 | 0.0300 |
| Police protection | 0.0550 | 0.0552 | 0.0521 | 0.0490 | 0.0447 | 0.0431 | 0.0465 | 0.0476 | 0.0494 | 0.0504 |
| Fire protection | 0.0442 | 0.0442 | 0.0375 | 0.0417 | 0.0391 | 0.0378 | 0.0386 | 0.0390 | 0.0420 | 0.0446 |
| Ambulance | 0.0980 | 0.0982 | 0.0794 | 0.0883 | 0.0828 | 0.0800 | 0.0818 | 0.0828 | 0.0891 | 0.0886 |
| Recreation | 0.1654 | 0.1601 | 0.1501 | 0.1401 | 0.1168 | 0.1065 | 0.0965 | 0.0865 | 0.0706 | 0.0665 |
| Audit | 0.0049 | 0.0049 | 0.0074 | 0.0069 | 0.0063 | 0.0061 | 0.0066 | 0.0067 | 0.0065 | 0.0068 |
| Garbage disposal | 0.0588 | 0.0591 | 0.0558 | 0.0524 | 0.0478 | 0.0460 | 0.0497 | 0.0511 | 0.0533 | 0.0543 |
| Social security | 0.1253 | 0.1258 | 0.1188 | 0.1117 | 0.1019 | 0.0982 | 0.1019 | 0.1059 | 0.1135 | 0.1158 |
| Police pension | 0.1635 | 0.1477 | 0.1328 | 0.1173 | 0.1218 | 0.1230 | 0.1019 | 0.1001 | 0.1013 | 0.1028 |
| Insurance | 0.1349 | 0.1355 | 0.1279 | 0.1203 | 0.1097 | 0.1057 | 0.1140 | 0.1174 | 0.1224 | 0.1348 |
| Bonds and interest | 0.0754 | 0.0809 | 0.0858 | 0.0835 | 0.0684 | 0.0917 | 0.0858 | 0.0890 | 0.0937 | 0.1038 |
| Firefighters pension | 0.0493 | 0.0449 | 0.0606 | 0.0400 | 0.0369 | 0.0410 | 0.0384 | 0.0370 | 0.0277 | 0.0256 |
| Total direct | 1.3278 | 1.3086 | 1.2293 | 1.1593 | 1.0591 | 1.0170 | 1.0200 | 1.0200 | 1.0390 | 1.0400 |
| Will County | | | | | | | | | | |
| Will County Forest Preserve District | 0.6210 | 0.5994 | 0.5696 | 0.5551 | 0.5274 | 0.5024 | 0.4942 | 0.4943 | 0.5154 | 0.5380 |
| Will County Building Commission | 0.1977 | 0.1970 | 0.1859 | 0.1693 | 0.1567 | 0.1519 | 0.1445 | 0.1424 | 0.1369 | 0.0613 |
| Will County Mosquito Abatement District | 0.0223 | 0.0222 | 0.0212 | 0.0200 | 0.0197 | 0.0191 | 0.0191 | N/A | N/A | N/A |
| DuPage Township | 0.0112 | 0.0109 | 0.0102 | 0.0096 | 0.0088 | 0.0107 | 0.0104 | 0.0108 | 0.0113 | 0.0115 |
| White Oak Library District | 0.0824 | 0.0805 | 0.0769 | 0.0708 | 0.0662 | 0.0655 | 0.0633 | 0.0637 | 0.0658 | 0.0682 |
| Fountaindale Public Library | 0.3236 | 0.2638 | 0.2422 | 0.2214 | 0.1966 | 0.1315 | 0.1283 | 0.0000 | 0.0000 | 0.0000 |
| Unit School District 365-U | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.2838 | 0.2900 | 0.3032 |
| Community College District 525 | 7.6318 | 7.3668 | 6.7687 | 5.9062 | 5.2276 | 4.9435 | 4.5671 | 4.6476 | 4.7837 | 4.3066 |
| Total Overlapping* | 9.1985 | 8.8361 | 8.1515 | 7.1987 | 6.4300 | 6.0390 | 5.6165 | 5.8327 | 5.9967 | 5.4982 |
| Total Direct and Overlapping | 10.5263 | 10.1447 | 9.3808 | 8.3580 | 7.4891 | 7.0560 | 6.6365 | 6.8527 | 7.0357 | 6.5382 |

Note: Property tax rates are per \$100 of assessed valuation.

Data Source

Will County Clerk

*Overlapping tax rates are from DuPage Township tax code 1208.

VILLAGE OF ROMEOVILLE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

| Taxpayer | Type of Business | 2015 | | Percentage of Total Village Taxable Assessed Valuation | 2006 | | Percentage of Total Village Taxable Assessed Valuation |
|--------------------------------|---|------------------------|------|--|------------------------|------|--|
| | | Taxable Assessed Value | Rank | | Taxable Assessed Value | Rank | |
| PDV Midwest Refining | Refinery-Petroleum Products | \$ 143,714,808 | 1 | 13.85% | \$ 50,088,500 | 1 | 5.60% |
| Hart I55 Industrial LLC | Real Property | 23,206,806 | 2 | 2.24% | | | |
| Duke Secured Fin 2009-1ALZ LLC | Real Property | 15,549,600 | 3 | 1.50% | | | |
| PLDAB LLC | Real Property | 14,305,000 | 4 | 1.38% | | | |
| Prologis-Illinois LLC | Owner, Operator and Developer of Industrial Real Estate | 13,343,600 | 5 | 1.29% | | | |
| DCT Boldt Park LLC | Real Property | 11,376,400 | 6 | 1.10% | | | |
| Pactiv Corp | Food Services: Direct Sales | 9,840,672 | 7 | 0.95% | 11,629,050 | 5 | 1.30% |
| J&J Romeoville Property | Real Property | 9,121,557 | 8 | 0.88% | 6,910,425 | 10 | 0.77% |
| Southcreek Industrial LLC | Real Property | 8,538,425 | 9 | 0.82% | | | |
| BAEV LaSalle | Real Property | 9,121,557 | 10 | 0.88% | | | |
| Catellus Finance LLC | Real Property | | | | 21,400,800 | 2 | 2.39% |
| Prudential Ins. Co. of America | Real Property | | | | 13,450,700 | 3 | 1.50% |
| Individual | Private Estate | | | | 12,339,500 | 4 | 1.38% |
| Caleast Industrial Investment | Industrial Properties | | | | 8,833,700 | 6 | 0.99% |
| Highpoint Romeoville LLC | Real Property | | | | 8,140,692 | 7 | 0.91% |
| JRC Remington/Et Al LLCs | Real Property | | | | 7,632,000 | 8 | 0.85% |
| Sharp Electronics Corporation | Wholesale Electronics | | | | 7,318,000 | 9 | 0.82% |
| | | <u>\$ 258,118,425</u> | | <u>24.89%</u> | <u>\$ 147,743,367</u> | | <u>16.51%</u> |

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2014 EAV is the most current available.

Data Source

Will County Clerk

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

| Tax Levy Year | Tax Extensions | Tax Collections | Percentage of Extensions Collected | Collections in 2014 for Previous Yrs. | Total Tax Collections | Percentage of Extensions Collected |
|------------------------------|---------------------------|----------------------------|---|--|--------------------------------------|---|
| 2014 | \$ 13,160,007 | \$ - | 0.00% | \$ - | \$ - | 0.00% |
| 2013 | 12,924,565 | 12,891,285 | 99.74% | - | 12,891,285 | 99.74% |
| 2012 | 12,852,253 | 12,767,370 | 99.34% | - | 12,767,370 | 99.34% |
| 2011 | 12,852,637 | 12,791,222 | 99.52% | - | 12,791,222 | 99.52% |
| 2010 | 12,852,966 | 12,803,539 | 99.62% | - | 12,803,539 | 99.62% |
| 2009 | 11,777,090 | 11,715,947 | 99.48% | - | 11,715,947 | 99.48% |
| 2008 | 11,878,398 | 11,830,360 | 99.60% | - | 11,830,360 | 99.60% |
| 2007 | 10,885,221 | 10,831,515 | 99.51% | - | 10,831,515 | 99.51% |
| 2006 | 9,983,212 | 9,969,675 | 99.86% | - | 9,969,675 | 99.86% |
| 2005 | 8,841,740 | 8,814,407 | 99.69% | - | 8,814,407 | 99.69% |

Note: Includes separate agency of Romeoville Fire but excludes Road and Bridge Levy.

N/A - Information not available

Data Source

Will County Treasurer

VILLAGE OF ROMEOVILLE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

| Fiscal Year Ended | Governmental | | | | | | Business-Type | | | | | | | |
|-------------------------|--------------------------------|--------------------------------------|------------------|------------------|-----------------|---------------------|------------------|-----------------|-----------------------|----------------|-------------------------|---------------------------------------|-----------------|-------------|
| | General | | | Alternate | | | General | | | Alternate | | | | |
| | General Obligation Bonds | Obligation Appreciation Bonds* | Capital Lease | Revenue Bonds | Note Payable | Obligation Bonds | Revenue Bonds | Note Payable | Primary Government | EAV | Percentage of EAV | Percentage of Personal Income** | Per Capita** | |
| 2015 | \$ 50,584,554 | \$ 51,764,258 | \$ - | - | \$ 759,355 | \$ 1,769,790 | \$ 7,854,576 | \$ - | \$ 18,781,760 | \$ 131,514,293 | \$ 1,037,895,885 | 12.67% | 10.74% | \$ 3,314.37 |
| 2014 | 54,870,548 | 49,020,718 | - | - | 966,495 | - | 9,754,452 | - | 19,990,652 | 134,602,865 | 1,033,551,111 | 13.02% | 11.23% | 3,392.00 |
| 2013 | 43,125,004 | 46,422,784 | - | - | 1,102,576 | - | 11,704,996 | - | 21,169,879 | 123,525,239 | 1,094,957,671 | 11.28% | 19.34% | 5,839.61 |
| 2012 | 46,016,648 | 43,962,717 | - | - | 440,279 | - | 13,563,352 | - | 22,320,169 | 126,303,165 | 1,164,155,585 | 10.85% | 19.77% | 5,970.93 |
| 2011 | 46,664,626 | 41,633,192 | - | - | 650,906 | - | 15,345,374 | - | 23,442,232 | 129,521,330 | 1,276,684,761 | 10.15% | 20.28% | 6,123.07 |
| 2010 | 48,693,945 | 39,427,268 | - | - | 848,212 | - | 17,016,055 | - | 24,496,953 | 132,437,433 | 1,220,638,234 | 10.85% | 20.73% | 6,260.93 |
| 2009 | 43,543,048 | 37,338,409 | - | - | 861,389 | - | 18,636,952 | - | 23,748,136 | 126,217,934 | 1,228,262,980 | 10.28% | 19.76% | 5,966.90 |
| 2008 | 33,555,346 | - | - | - | 888,448 | - | 14,969,654 | 5,275,000 | 22,956,662 | 80,175,110 | 1,125,909,473 | 7.12% | 12.55% | 3,790.25 |
| 2007 | 21,394,708 | - | - | - | 959,119 | - | 11,345,292 | 10,625,000 | 17,560,634 | 64,814,753 | 1,013,751,842 | 6.39% | 12.45% | 3,064.09 |
| 2006 | 22,079,070 | - | - | - | 580,646 | - | 12,415,930 | 10,985,000 | 4,295,895 | 53,671,541 | 894,235,108 | 6.00% | 10.31% | 2,537.30 |

* The General Obligation Capital Appreciation Bonds value represents the principal outstanding which includes accreted interest.

** See the schedule of Demographic and Economic Indicators on page 132 for personal income and population data.

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

VILLAGE OF ROMEOVILLE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

| Fiscal Year | General Obligation Bonds* | Less Amounts Available In Debt Service Fund | Total | Percentage of Estimated Actual Taxable Value of Property** | Per Capita*** |
|-------------|---------------------------|---|----------------|--|---------------|
| 2015 | \$ 110,203,388 | \$ 8,129 | \$ 110,195,259 | 3.54% | \$ 2,777.10 |
| 2014 | 113,645,718 | 8,129 | 113,637,589 | 3.66% | 2,863.85 |
| 2013 | 101,252,784 | 8,129 | 101,244,655 | 3.08% | 2,551.53 |
| 2012 | 103,542,717 | 2,248 | 103,540,469 | 2.96% | 4,894.84 |
| 2011 | 103,643,192 | 19,476 | 103,623,716 | 2.71% | 4,898.77 |
| 2010 | 105,137,268 | - | 105,137,268 | 2.87% | 4,970.32 |
| 2009 | 99,518,409 | 952,850 | 98,565,559 | 2.67% | 4,659.65 |
| 2008 | 48,525,000 | 2,058,780 | 46,466,220 | 1.38% | 2,196.67 |
| 2007 | 32,740,000 | 803,039 | 16,445,658 | 0.54% | 777.46 |
| 2006 | 34,495,000 | 35,453 | 34,459,547 | 1.28% | 1,629.06 |

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

* This is the general bonded debt of both governmental (including capital appreciation bonds) and business-type activities.

** See the schedule of Assessed Value and Actual Value of Taxable Property on page 124 for property value data.

*** See the schedule of Demographic and Economic Indicators on page 132 for population data.

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DIRECT AND OVERLAPPING BONDED DEBT

April 30, 2015

| | Gross Bonded Debt* | Percentage of Debt Applicable to Government** | Government's Share of Debt |
|--|-----------------------|--|-------------------------------|
| DIRECT DEBT | | | |
| Village of Romeoville | \$ 102,348,812 | 100.00% | \$ 102,348,812 |
| OVERLAPPING DEBT | | | |
| <u>Schools:</u> | | | |
| School District Number 88-A | 26,800,000 | 18.55% | 4,971,400 |
| School District Number 92 | 7,725,000 | 21.45% | 1,657,013 |
| School District Number 202 | 292,605,000 | 8.98% | 26,275,929 |
| School District Number 365-U | 135,107,518 | 27.57% | 37,249,143 |
| High School District Number 205 | 7,155,000 | 8.89% | 636,080 |
| Community College District Number 525 | 196,205,000 | 5.86% | 11,497,613 |
| Total Schools | 665,597,518 | | 82,287,178 |
| <u>Others:</u> | | | |
| Will County*** | - | 0.00% | - |
| Will County Forest Preserve District | 134,751,126 | 5.76% | 7,761,665 |
| Fountaindale Library District | 35,275,000 | 0.16% | 56,440 |
| Lemont Park District | 12,080,000 | 0.04% | 4,832 |
| Lockport Park District | 2,473,000 | 26.10% | 645,453 |
| Plainfield Park District | 4,248,000 | 5.36% | 227,693 |
| Total Others | 188,827,126 | | 8,696,083 |
| Total Overlapping Debt | 854,424,644 | | 90,983,261 |
| TOTAL DIRECT AND OVERLAPPING DEBT | \$ 956,773,456 | | \$ 193,332,073 |

Notes

* Outstanding principal of general obligation bonds as of June 30, 2015. 100% of the principal of outstanding general obligation bonds of overlapping taxing district have been displayed in this schedule.

** Overlapping debt percentages based on 2014 EAV, the most current available.

*** Will County debt of \$129,715,000 is self supporting, so it is not included in the table.

Data Source

Office of the County Clerk - Will County, Illinois

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

April 30, 2015

Under the 1970 Illinois Constitution, there is no legal limit for home rule municipalities except as set by the General Assembly.

VILLAGE OF ROMEOVILLE, ILLINOIS
DEMOGRAPHIC AND ECONOMIC INDICATORS

Last Ten Fiscal Years

| Fiscal Year | Population | Per Capita Personal Income* | Estimated Total Personal Income of Population | Median Age* | Level in Years of Schooling | Unemployment Rate* |
|------------------------|-------------------|--|--|------------------------|--|-------------------------------|
| 2015 | 39,680 | \$ 30,199 | \$ 1,198,296,320 | 35.4 | 14 | 6.10% |
| 2014 | 39,680 | 30,199 | 1,198,296,320 | 35.4 | 14 | 7.60% |
| 2013 | 39,680 | 30,199 | 1,198,296,320 | 35.4 | 14 | 9.70% |
| 2012 | 39,680 | 30,199 | 1,198,296,320 | 35.4 | 14 | 9.00% |
| 2011 | 39,680 | 30,199 | 1,198,296,320 | 35.4 | 14 | 10.10% |
| 2010 | 39,680 | 30,199 | 1,198,296,320 | 35.4 | 14 | 10.70% |
| 2009 | 21,153 | 30,199 | 638,799,447 | 33.3 | 14 | 10.20% |
| 2008 | 21,153 | 30,199 | 638,799,447 | 33.3 | 14 | 6.10% |
| 2007 | 21,153 | 30,199 | 638,799,447 | 33.3 | 14 | 4.70% |
| 2006 | 21,153 | 24,613 | 520,638,789 | 33.3 | 14 | 4.30% |

Data Sources

Bureau of Census

*Will County

VILLAGE OF ROMEOVILLE, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

| Employer | Product | 2015 | | | 2006 | | |
|---|---|------|---------------------|---------------------------|------|---------------------|---------------------------|
| | | Rank | Number of Employees | % Employed in the Village | Rank | Number of Employees | % Employed in the Village |
| Valley View Community School District Number 365U | Elementary and Secondary Education | 1 | 1,300 | 7.28% | 1 | 1,900 | 21.48% |
| Lockport Township High School District Number 205 | Secondary Education | 2 | 780 | 4.37% | 2 | 386 | 4.36% |
| Kehe Food Distributors, Inc. | Groceries | 3 | 750 | 4.20% | | | |
| Lewis University | University | 4 | 600 | 3.36% | 4 | 320 | 3.62% |
| Wal-Mart | Retail Store | 5 | 550 | 3.08% | | | |
| RTC Industries | Retail System Manufacturer | 6 | 530 | 2.97% | | | |
| Citgo Refinery | Fuels | 7 | 500 | 2.80% | | | |
| FedEx | Ground Package Distribution System | 8 | 500 | 2.80% | | | |
| Village of Romeoville* | Government | 9 | 408 | 2.28% | 3 | 331 | 3.74% |
| Kennedy Transportation Co. | National Trucking Transportation and Logistics Services | 10 | 348 | 1.95% | | | |
| Ultra Salon Cosmetics Fragrance, Inc. | Salon Cosmetics and Fragrances Corporate Office | | | | 5 | 250 | 2.83% |
| Panduit Corp | Cable Tie Tools | | | | 6 | 210 | 2.37% |
| Fleetwood Inc. | Material Handling and Mechanical Conveyors | | | | 7 | 200 | 2.26% |
| Sharp Electronics Corp. | Wholesale Electronics | | | | 8 | 200 | 2.26% |
| USC Solutions, Inc. | Contract Packaging | | | | 9 | 200 | 2.26% |
| Pactiv Corp. | Warehouse Distribution Center | | | | 10 | 200 | 2.26% |
| | | | 6,266 | 35.09% | | 4,197 | 47.44% |

*Includes full-time and part-time employees

Data Sources

2015 Illinois Manufacturers Directory, 2015 Illinois Services Directory, Will County Center for Economic Development and a selected telephone survey

VILLAGE OF ROMEOVILLE, ILLINOIS
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION

Last Ten Fiscal Years

| Fiscal Year | 2015 | 2014 | 2013 | 2012 |
|--|---------------|---------------|---------------|---------------|
| GENERAL GOVERNMENT | | | | |
| Mayor | 1.00 | 1.00 | 1.00 | 1.00 |
| Village clerk (support) | 1.00 | 1.00 | 1.00 | 1.00 |
| Village administration | | | | |
| Administration | 3.00 | 3.00 | 3.00 | 3.00 |
| Personnel | 2.45 | 2.45 | 2.45 | 1.38 |
| RPTV | 1.00 | 1.00 | 1.00 | 1.00 |
| Marketing | 0.63 | 0.63 | 1.00 | 1.00 |
| Information services | 3.00 | 3.00 | 3.00 | 3.00 |
| Finance | 9.94 | 9.94 | 9.88 | 9.25 |
| Community services and development | | | | |
| Administration | 6.00 | 6.00 | 6.00 | 6.50 |
| Inspectional services | 4.26 | 4.26 | 4.08 | 4.07 |
| PUBLIC SAFETY | | | | |
| Police | | | | |
| Administration | 9.50 | 9.50 | 10.00 | 10.52 |
| Operations | 74.40 | 73.38 | 72.02 | 71.52 |
| Support services | 12.79 | 12.52 | 15.29 | 15.29 |
| Fire and ambulance | 57.00 | 55.80 | 49.07 | 53.80 |
| Fire academy | 7.00 | 5.25 | 5.25 | 4.25 |
| Romeoville Emergency Management Agency | 0.72 | 0.72 | 0.72 | 0.87 |
| PUBLIC WORKS | | | | |
| Administration | 5.00 | 5.00 | 5.00 | 5.00 |
| Buildings | 11.86 | 11.86 | 11.50 | 10.00 |
| Motor pool | 1.00 | 1.00 | 1.00 | 2.00 |
| Streets and sanitation | 9.00 | 9.00 | 9.00 | 9.00 |
| Landscape and grounds | 7.00 | 7.00 | 7.00 | 7.00 |
| RECREATION | | | | |
| Operations | 5.17 | 5.17 | 5.17 | 5.17 |
| Recreation programs | 31.09 | 28.92 | 28.33 | 33.41 |
| Park maintenance | 9.43 | 9.75 | 9.60 | 8.20 |
| Recreation center | 5.00 | 5.00 | 5.80 | 5.80 |
| WATER AND SEWER | | | | |
| Finance administration | 4.00 | 4.00 | 4.00 | 4.00 |
| Public works water distribution | 12.00 | 12.00 | 12.00 | 12.00 |
| Public works sewage treatment | 10.00 | 10.00 | 10.00 | 10.00 |
| Public works sewage collection | 8.00 | 8.00 | 8.00 | 8.00 |
| TOTAL VILLAGE EMPLOYEES | 312.23 | 306.14 | 301.16 | 307.03 |

Data Source

Operating Budget

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|--------|--------|--------|--------|--------|--------|
| 1.00 | 1.00 | - | - | - | - |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.75 | 1.75 |
| 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.50 |
| 1.08 | 1.75 | 1.75 | 1.75 | 1.75 | 1.00 |
| 1.00 | 1.50 | 1.00 | 1.00 | 1.00 | - |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - |
| 3.00 | 4.00 | 4.50 | 3.00 | 3.00 | 3.25 |
| 8.73 | 8.00 | 8.42 | 8.70 | 7.58 | 7.45 |
| 6.70 | 8.65 | 8.65 | 9.65 | 9.96 | 8.48 |
| 4.00 | 7.50 | 7.00 | 6.00 | 6.48 | 8.59 |
| 10.92 | 7.50 | 8.50 | 7.50 | 7.50 | 7.00 |
| 73.25 | 80.00 | 78.58 | 77.25 | 70.00 | 68.00 |
| 15.04 | 20.02 | 19.79 | 19.19 | 18.22 | 16.70 |
| 57.21 | 63.92 | 65.72 | 65.65 | 64.12 | 57.36 |
| 3.43 | 3.50 | 3.50 | 2.00 | - | - |
| 0.87 | 0.87 | 0.87 | 0.87 | 0.87 | 0.77 |
| 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| 17.00 | 14.00 | 14.00 | 13.00 | 12.00 | 12.00 |
| 2.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| 6.00 | 10.50 | 11.00 | 12.00 | 11.00 | 11.00 |
| - | - | 1.00 | - | - | - |
| 5.17 | 5.61 | 5.52 | 6.12 | 6.12 | 5.50 |
| 30.63 | 30.49 | 24.96 | 18.60 | 18.05 | 18.40 |
| 8.19 | 9.46 | 9.07 | 8.76 | 8.08 | 6.08 |
| 5.80 | 8.86 | 8.80 | 7.61 | 7.61 | 7.46 |
| 4.00 | 6.00 | 6.00 | 5.70 | 5.70 | 5.95 |
| 11.00 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 |
| 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| 304.02 | 336.13 | 331.63 | 317.35 | 302.79 | 288.24 |

VILLAGE OF ROMEOVILLE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

| Fiscal Year | 2015 | 2014 | 2013 | 2012 |
|--------------------------------|---------------|---------------|---------------|---------------|
| GENERAL GOVERNMENT | | | | |
| Community Development | | | | |
| Permits issued* | 2,195 | 2,031 | 1,376 | 1,250 |
| Inspections conducted* | 2,785 | 2,923 | 7,076 | 6,220 |
| Business licenses issued* | 848 | 711 | 685 | 692 |
| PUBLIC SAFETY | | | | |
| Police | | | | |
| Personnel - civilian** | 32 | 34 | 34 | 33 |
| Personnel - sworn ** | 61 | 63 | 61 | 63 |
| Traffic accidents | 1,400 | 1,330 | 1,245 | 1,304 |
| Calls for service | 38,886 | 41,069 | 41,754 | 45,184 |
| Traffic citations | 6,486 | 8,446 | 8,330 | 9,202 |
| Parking citations | 1,161 | 1,096 | 629 | 1,188 |
| Written warnings | 918 | 611 | 494 | 791 |
| Administrative warning tickets | 163 | 330 | 181 | 299 |
| Arrests | 870 | 1,292 | 1,526 | 1,616 |
| DUI arrests | 66 | 90 | 115 | 117 |
| Written reports | 3,459 | 3,687 | 4,094 | 4,409 |
| Domestics | 494 | 486 | 519 | 637 |
| False alarms | 1,311 | 1,147 | 1,039 | 1,121 |
| Fire | | | | |
| Calls | | | | |
| EMS | 1,917 | 1,690 | 1,837 | 1,890 |
| Fire | 1,312 | 1,267 | 1,266 | 1,246 |
| Total | 3,229 | 2,957 | 3,103 | 3,136 |
| PUBLIC WORKS | | | | |
| Streets (miles) | 170 | 170 | 170 | 170 |
| RECREATION | | | | |
| Program offerings | | | | |
| Youth | 580 | 544 | 530 | 475 |
| Adult | 232 | 23 | 42 | 42 |
| Senior citizen | 15 | 35 | 38 | 29 |
| WATER AND SEWER | | | | |
| Number of Active meters | 16,698 | 16,604 | 16,535 | 16,570 |
| Gallons of water pumped | 1,478,703,000 | 1,525,850,300 | 1,708,115,500 | 1,635,515,000 |
| Gallons of water sold (billed) | 1,216,020,300 | 1,330,730,900 | 1,382,636,900 | 1,322,254,690 |
| Utilization | 82% | 87% | 81% | 81% |

N/A - Information not available

Data Source

Various Village departments

*Figures based on prior calendar year approximating current fiscal year.

**Does not include Co-Op Students, Crossing Guards, or Kennel Helper.

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 2,021 | 1,168 | 1,305 | 1,311 | 969 | N/A |
| 6,889 | 6,521 | 8,750 | 9,712 | 11,848 | N/A |
| 684 | 628 | 613 | 630 | 617 | N/A |
| 33 | 29 | 34 | 34 | 31 | 30 |
| 63 | 67 | 68 | 63 | 63 | 63 |
| 1,397 | 1,332 | 1,480 | 1,579 | 1,657 | 1,552 |
| 46,591 | 55,297 | 55,166 | 55,507 | 57,100 | 54,495 |
| 7,797 | 9,593 | 8,608 | 9,110 | 11,485 | 10,748 |
| 1,572 | 2,295 | 2,530 | 2,066 | 2,929 | 1,777 |
| 989 | 1,430 | 1,021 | 786 | 1,119 | 1,022 |
| 441 | 810 | 620 | 440 | 701 | 628 |
| 1,495 | 1,972 | 1,807 | 2,326 | 2,170 | 2,153 |
| 98 | 113 | 121 | 124 | 107 | 101 |
| 4,323 | 5,212 | 5,458 | 5,547 | 5,441 | 5,140 |
| 585 | 649 | 610 | 698 | 615 | 615 |
| 1,153 | 1,095 | 1,379 | 1,343 | 1,347 | 1,269 |
| 1,733 | 1,615 | 1,693 | 1,734 | 1,832 | 1,748 |
| 1,112 | 1,192 | 1,307 | 1,224 | 1,292 | 1,236 |
| 2,845 | 2,807 | 3,000 | 2,958 | 3,124 | 2,984 |
| 170 | 170 | 170 | 170 | 170 | 170 |
| 527 | 436 | 508 | 389 | 353 | 376 |
| 30 | 52 | 57 | 61 | 42 | 53 |
| 38 | 41 | 70 | 65 | 53 | 52 |
| 16,557 | 16,597 | 16,566 | 16,655 | 16,671 | 16,551 |
| 1,480,389,191 | 1,509,647,875 | 1,466,014,000 | 1,621,183,000 | 1,580,040,000 | 1,619,545,000 |
| 1,334,422,900 | 1,317,100,300 | 1,252,073,800 | 1,304,285,800 | 1,155,782,800 | 1,358,040,300 |
| 90% | 87% | 85% | 80% | 73% | 84% |

VILLAGE OF ROMEOVILLE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

| Function/Program | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|---------------------------|------|------|------|------|------|------|------|------|------|------|
| GENERAL GOVERNMENT | | | | | | | | | | |
| Buildings - Village Hall | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| PUBLIC SAFETY | | | | | | | | | | |
| Police | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of zones | 4-6 | 4-6 | 4-6 | 4-6 | 4-6 | 4-6 | 4-6 | 4-6 | 4-6 | 4-6 |
| Patrol units | 37 | 39 | 39 | 39 | 39 | 43 | 44 | 40 | 41 | 44 |
| Fire | | | | | | | | | | |
| Stations | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 2 |
| PUBLIC WORKS | | | | | | | | | | |
| Streets (miles) | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 |
| RECREATION | | | | | | | | | | |
| Recreation Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Athletic and Event Center | 1 | - | - | - | - | - | - | - | - | - |
| Parks | 31 | 29 | 28 | 27 | 27 | 25 | 24 | 24 | 22 | 22 |
| Acres of parks | 301 | 242 | 242 | 241 | 241 | 222 | 221 | 221 | 201 | 201 |
| WATER AND SEWER | | | | | | | | | | |
| Water mains (miles) | 159 | 159 | 159 | 159 | 159 | 159 | 159 | 159 | 159 | 159 |
| Sanitary sewers (miles) | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Storm sewers (miles) | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 |

Note: Most recent data available

Data Source

Various Village departments

VILLAGE OF ROMEOVILLE, ILLINOIS

**FINANCIAL REPORT AND REPORT ON
COMPLIANCE WITH PUBLIC ACT 85-1142**

ROMEO ROAD TIF DISTRICT FUND

For the Year Ended
April 30, 2015





1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

630.566.8400 // www.sikich.com

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT ON MANAGEMENT'S ASSERTION OF COMPLIANCE

The Honorable Village President and
Members of the Board of Trustees
Village of Romeoville, Illinois

We have examined management's assertion included in its representation letter dated October 30, 2015, that the Village of Romeoville, Illinois (the Village), complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended April 30, 2015. As discussed in that representation letter, management is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village's compliance based on our examination.

Our examination was made in accordance with the standards established by the American Institute of Public Accountants and, accordingly, included examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Village of Romeoville, Illinois' compliance with statutory requirements.

In our opinion, management's assertion that the Village of Romeoville, Illinois, complied with the aforementioned requirements for the year ended April 30, 2015, is fairly stated in all material respects.

This report is intended solely for the information and use of the Board of Trustees, management and the Illinois Department of Revenue, Illinois State Comptrollers office and the Joint Review Board and should not be used by anyone other than these specified parties.

Naperville, Illinois
October 30, 2015

Sikich LLP

Village of Romeoville

Intergovernmental Agreement List - Attachment M

FY 14-15

| Agreement Description | Agreement With | Ordinance Number | Funds Received | Funds Transferred | Status TIF/Non-TIF |
|--|---|------------------|----------------|-------------------|--------------------|
| Assist First Time home Buyer Program - IRB Bonds | Aurora (Issuing Community) | 10-1245 | - | - | Non-TIF |
| I55 - Airport Road - Route 126 Interchange Project | Bolingbrook | 09-1185 | - | - | Non-TIF |
| I55 - Airport Road - Route 126 Interchange Project | Bolingbrook and Plainfield | 11-1479 | 23,482 | - | Non-TIF |
| Municipal Joint Action Water Agency | Bolingbrook, Homer Glen, Woodridge, Lemont | 11-0955 | - | 220 | Non-TIF |
| Acquisition of an Inoperable Bus for the Romeoville Fire Academy for Training Purposes | Chicago Transit Authority | 13-1665 | - | - | Non-TIF |
| \$68,621.50 Contribution towards landscape island improvements at Weber and Renwick Road | City of Crest Hill | 14-1855 | 17,260 | - | Non-TIF |
| \$20,000 Contribution towards the cost of signalization and other improvements at Renwick & Gaylord Roads (Mistwood Gold Course) | City of Crest Hill | 14-1820 | - | - | Non-TIF |
| Police Fire Range Agreement | City of Darien | 99-2334 | - | - | Non-TIF |
| Boundary Agreement - City of Joliet | City of Joliet | 99-121 | - | - | Non-TIF |
| Boundary Line Agreement | City of Lockport | 14-1087 | - | - | Non-TIF |
| Form a new enterprise zone that effectively extends the existing zone for up to 25 years | Des Plaines River Valley Enterprise Zone | 14-1167 | - | - | Non-TIF |
| Agree to be a member in a new Des Plaines River Valley Enterprise Zone | Des Plaines River Valley Enterprise Zone | 14-1166 | - | - | Non-TIF |
| Des Plaines River Valley Enterprise Zone Membership | Des Plaines River Valley Enterprise Zone | 03-0037 | - | - | Non-TIF |
| Mutual Aid Agreement - Fire | Des Plaines Valley Fire Chief's Association | 90-710 | - | - | Non-TIF |
| Road and Bridge Property Tax Replacement | DuPage Township | 10-1246 | - | - | Non-TIF |
| Bluff Road Jurisdiction and Maintenance Responsibility | DuPage Township | 95-1144 | - | - | Non-TIF |
| Greater Will County Mutual Aid Association Participation | Greater Will County Mutual Aid Association | 93-927 | - | - | Non-TIF |
| Belmont Drive Resurfacing - IL RT. 53 to 135th Street | Illinois Department of Transportation | 15-1939 | - | - | Non-TIF |
| Crossroads Parkway Resurfacing - Veterans Parkway to Center Boulevard | Illinois Department of Transportation | 15-1937 | - | - | Non-TIF |
| Federal Congestion Mitigation Air Quality Grant (CMAQ) METRA Station Engineering Costs | Illinois Department of Transportation | 15-1911 | 32,630 | - | Non-TIF |
| Taylor Road East Project - Routes 53 to Weber Road | Illinois Department of Transportation | 13-1645 | - | - | Non-TIF |
| Taylor Road West Project - Budler Road to Weber Road | Illinois Department of Transportation | 13-1646 | - | 27,659 | Non-TIF |
| Airport Road Improvements | Illinois Department of Transportation | 06-530 | - | - | Non-TIF |
| Traffic Signal Maintenance | Illinois Department of Transportation | 03-165 | - | 29,330 | Non-TIF |
| Route 53 Resurfacing & Other Matters | Illinois Department of Transportation | 00-2562 | - | - | Non-TIF |
| Parking Prohibited - Route 53 and Joliet Road | Illinois Department of Transportation | 00-2804 | - | - | Non-TIF |
| Route 53 Sewage Discharge Route 53 and Joliet Road | Illinois Department of Transportation | 00-2803 | - | - | Non-TIF |
| Encroachments Prohibited - Route 53 and Joliet Road | Illinois Department of Transportation | 00-2802 | - | - | Non-TIF |
| Frontage Road Transfer - Weber to Budler Road | Illinois Department of Transportation | 00-2795 | - | - | Non-TIF |
| Law Enforcement Mutual Aid Agreement | Illinois Law Enforcement Alarm System Agency /IL State Police | 15-1935 | - | - | Non-TIF |
| Illinois Law Enforcement Alarm System - Mutual Aide | Illinois State Police | 03-011 | - | - | Non-TIF |
| State Central Repository Criminal History Record Information | Illinois State Police | 02-079 | - | - | Non-TIF |
| Interstate 355 Southern Extension Corridor Planning Council Membership | Interstate 355 Southern Extension Corridor Planning Council | 94-1045 | - | - | Non-TIF |
| Lift Station Abandonment - Property Access | Joliet Port Authority | 11-1364 | - | - | Non-TIF |
| Lease Agreement - Public Address Warning System - Lewis University Airport | Joliet Port Authority | 08-0969 | - | 320 | Non-TIF |
| Airport Expansion & Hopkins Road | Joliet Port Authority | 2082-91 | - | - | Non-TIF |
| Fire Protection of Certain Territories | Lemont Fire Protection Agreement | 98-2592 | - | - | Non-TIF |
| Special Recreation Services - Tri-County Special Recreation Association (Payment to Association) | Lemont Park District, Lockport Township Park District | 80-716 | - | 209,548 | Non-TIF |
| Lockport Fire Protection Shared Property Agreement | Lockport Fire Protection District | 07-520 | - | - | Non-TIF |
| Lockport Fire Protection Shared Property Agreement | Lockport Fire Protection District | 04-0248 | 1,177,782 | - | Non-TIF |
| Taylor Drive Water Tower Antenna Agreement | Lockport Fire Protection District | 99-2621 | - | - | Non-TIF |
| Automatic AID - Fire | Lockport Fire Protection District | 98-2604 | - | - | Non-TIF |
| Airport Road Maintenance | Lockport Township | 04-278 | - | - | Non-TIF |
| Water and Sewer Rate Agreement for Heritage Falls water park facility | Lockport Township Park District | 15-1917 | - | - | Non-TIF |
| Sunset Park Outdoor Restroom Facility Utility 5-Year Connection Variance | Lockport Township Park District | 10-1279 | - | - | Non-TIF |
| Police Mutual aid | Lockport Township Park District | 02-090 | - | - | Non-TIF |
| Taylor Road Jurisdiction | Lockport Township Road District | 00-2737 | - | - | Non-TIF |
| Taylor Road Jurisdiction | Lockport Township Road District | 00-2744 | - | - | Non-TIF |
| M.A.N.S. Task force participation | Metropolitan Area Narcotics Squad | 02-039 | - | - | Non-TIF |
| Mutual Aid Box Alarm System -Fire | Mutual Aid Box Alarm System (MABAS) | 89-639 | - | - | Non-TIF |
| Verify Participant Status with NEMERT | North East Multi-Regional Training (NEMERT) | 06-537 | - | 8,500 | Non-TIF |
| NWCJAWA Members Eminent Domain Acquisition of Illinois American Lake Water Company | Northern Will County Joint Action Water Agency | 14-1115 | - | - | Non-TIF |

Village of Romeoville

Intergovernmental Agreement List - Attachment M

FY 14-15

| Agreement Description | Agreement With | Ordinance Number | Funds Received | Funds Transferred | Status TIF/Non-TIF |
|--|--|------------------|----------------|-------------------|----------------------|
| E9111 Fire Dispatch Services | Orlando Fire Protection Agreement | 09-1143 | - | - | Non-TIF |
| Reciprocal reporting of Criminal Information | Plainfield School District 202 | 00-2581 | - | - | Non-TIF |
| Southwest Agency for Risk Membership - Worker Comp and Liability Insurance Pool | Southwest Agency for Risk Membership | 82-819 | - | 2,076,190 | Non-TIF |
| Mutual Aid Emergency Telecommunications | Telecommunicator Emergency Response Taskforce | 08-0954 | - | - | Non-TIF |
| Articles of Agreement - Tri County SRA | Tri-County Special Recreation Association | 13-1701 | - | - | Non-TIF |
| Lease 10 Montrose Drive | Tri-County Special Recreation Association | 10-1306 | 24,000 | - | Non-TIF |
| Emergency Response Procedures and Communication - Chicago Sanitary and Ship Canal Fish Barriers | US Coast Guard/US Army Corps/Lemont Fire Protection District | 11-1425 | - | - | Non-TIF |
| Easement to relocate a sanitary sewer force main to facilitate the Route 53 and Material Road | | | | | |
| Signalization project that will create new Romeoville High School entrance. | Valley View School District 365U | 14-1828 | - | - | Non-TIF |
| After School Programs at the Recreation Center | Valley View School District 365U | 12-1553 | - | - | Non-TIF |
| TIF Surplus Guarantee, RC Hill Improvements Incentive, Transpiration Center Incentive | Valley View School District 365U | 12-1521 | - | - | TIF - Marquette |
| Planned Unit of Development - Special Use Permit - RC Hill School | Valley View School District 365U | 12-0970 | - | - | Non-TIF |
| Valley View School District Transportation Facility | Valley View School District 365U | 05-0290 | - | - | TIF - Downtown |
| After School Programs at the Recreation Center | Valley View School District 365U | 09-1169 | - | - | Non-TIF |
| Facility Sharing Agreement | Valley View School District 365U | 09-1154 | - | - | Non-TIF |
| Lease Agreement - Antenna Equipment - Water Tower - 195 N Pinnacle - Business Park | Valley View School District 365U | 08-0913 | - | - | Non-TIF |
| Reciprocal reporting of Criminal Information | Valley View School District 365U | 99-2347 | - | - | Non-TIF |
| Marquette Drive Water Tower Antenna Agreement | Valley View School District 365U | 02-014 | - | - | Non-TIF |
| Joint Park site and Parking Lot (Wesglen) | Valley View School District 365U | 99-2730 | - | - | Non-TIF |
| Wastewater Discharge Quantum Foods - FPA Transfer to Bolingbrook | Valley View School District 365U | 07-0836 | - | - | Non-TIF |
| Water Main Responsibility 1000 Crossroads Parkway | Village of Bolingbrook | 07-838 | - | - | Non-TIF |
| Remington Boulevard Extension - Jurisdiction | Village of Bolingbrook | 05-428 | - | - | Non-TIF |
| Marquette Drive Water Tower Antenna Agreement | Village of Bolingbrook | 93-975 | - | - | Non-TIF |
| First Response Agreement - Fire | Village of Bolingbrook | 93-925 | - | - | Non-TIF |
| Mutual Aid Agreement - Fire | Village of Bolingbrook | 81-788 | - | - | Non-TIF |
| 115th Street Jurisdictional Transfer | Village of Bolingbrook | 01-051 | - | - | Non-TIF |
| Bluff Road Improvements | Village of Bolingbrook | 03-024 | - | - | Non-TIF |
| IRB Volume Cap Transfer and Sale | Village of Downers Grove | 13-1065 | - | - | Non-TIF |
| Boundary Line Agreement | Village of Plainfield | 11-1444 | - | - | Non-TIF |
| Frontage Road Transfer - Weber to Budler Road | Wheatland Township | 00-2795 | - | - | Non-TIF |
| Redevelopment Agreement - Library Facade and Renovation Improvements | White Oak Library District | 11-1403 | - | - | TIF - Downtown |
| Constructing Improvements to Weber & Gaskin Road (Meijer) | Will County | 11-1423 | - | 978,125 | Non-TIF |
| Weber and Gaskin Road Improvements | Will County | 08-1051 | - | - | Non-TIF |
| Permission to install and maintain Lit Street Signs on Weber Road | Will County | 07-770 | - | - | Non-TIF |
| Installation & Maintenance of Traffic Signals on Weber and Airport Road | Will County | 07-754 | - | - | Non-TIF |
| Landscape Median Installation & Maintenance Weber and Airport Rd. | Will County | 07-755 | - | - | Non-TIF |
| Weber and Creekside Dr. Traffic Signal Maintenance & Energy Agreement | Will County | 07-753 | - | - | Non-TIF |
| Traffic Signal Maintenance Weber and Highpoint | Will County | 03-126 | - | - | Non-TIF |
| Traffic Signal Maintenance Weber and N. Carillon Dr. | Will County | 03-136 | - | 3,990 | Non-TIF |
| GIS Information | Will County | 03-032 | - | - | Non-TIF |
| Police Service Mutual Aide Agreement | Will County | 94-997 | - | - | Non-TIF |
| Joliet- Naperville Road from Hudson to Route 53 | Will County | 00-2738 | - | - | Non-TIF |
| Feasibility Study Improvements - I55 and Weber Road Interchange | Will County & Village of Bolingbrook | 07-0881 | - | - | Non-TIF |
| Electric Aggregation | Will County Aggregation Group | 12-1517 | - | - | Non-TIF |
| Electric Aggregation | Will County Aggregation Group | 12-0979 | - | - | Non-TIF |
| Forest Preserve Property Annexation Agreement | Will County Forest Preserve | 12-1001 | - | - | Non-TIF |
| Community Host Agreement - Waste Transfer Center - Traffic Signal - Joliet Rd & Crossroads Parkway | Will County Forest Preserve | 05-0367 | - | - | Non-TIF |
| Weber Road and Lakeview Drive Intersection | Will County Highway Department | 09-1151 | - | - | Non-TIF |
| Veteran's Parkway Improvements | Will County Highway Department/IDOT | 08-0931 | - | 125,000 | Downtown TIF/Non TIF |
| Child Sexual Notification Act | Will County Sheriff | 96-2156 | - | - | Non-TIF |
| Provision of Police Service and Equipment Resources | Will County Sheriff - Special Operations Group | 13-1619 | - | - | Non-TIF |

Village of Romeoville
Intergovernmental Agreement List - Attachment M
FY 14-15

| <u>Agreement Description</u> | <u>Agreement With</u> | <u>Ordinance Number</u> | <u>Funds Received</u> | <u>Funds Transferred</u> | <u>Status TIF/Non-TIF</u> |
|--|---|-------------------------|-----------------------|--------------------------|---------------------------|
| PDV Midwest Refining, LLC (Citgo Refinery) Assessment Settlement Agreement | Will County, Will County Forest Preserve District, Will County School District No. 92, Lockport Township High School District No. 205, Joliet Junior College District 525, Lemont Fire Protection District, Lemont Park District, DuPage Township, White Oak Library District, Fountaindale Public Library District, Romeoville Mosquito Abatement District, DuPage Township Assessor, Will County Supervisor of Assessments, Will County Board of Review, PDVMR (Citgo Refinery) | 15-1933 | - | - | Non-TIF |