



Community and Nature . . . in Harmony

Village of Homer Glen, Illinois

Comprehensive Annual Financial Report

Audit Report

For the Fiscal Year Ending April 30, 2018

**VILLAGE OF HOMER GLEN, ILLINOIS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED APRIL 30, 2018**

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INTRODUCTORY SECTION



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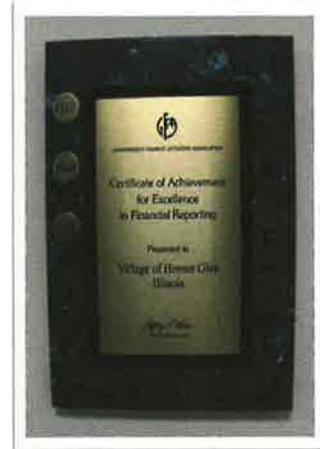
October 19, 2018

Dear Residents of the Village of Homer Glen, the Honorable Mayor George Yukich and the Village Board of Trustees:

We are happy to provide you with the Comprehensive Annual Financial Report (CAFR) for the Village of Homer Glen. This Comprehensive Annual Financial Report covers all aspects of Village finances. This letter of transmittal is divided into four sections, each one discussing different aspects of the Village of Homer Glen's financial performance and accomplishments this past year.

Financial Reporting Award

The Government Finance Officer's Association of the United States and Canada (GFOA) awarded a "Certificate of Achievement for Excellence in Financial Reporting" to the Village of Homer Glen for its comprehensive annual financial report for the fiscal year ending April 30, 2017. This was the sixteenth consecutive year that the Village of Homer Glen has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.



A Certificate of Achievement is valid for a period of one year. We believe that our current comprehensive annual financial report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate award.

Introduction

Management Responsibility for Financial Information

This CAFR covers the fiscal year May 1, 2017 to April 30, 2018. The Village believes that the data, as presented, is accurate in all material respects. Responsibility for the accuracy and completeness of this data rests with the Village.

The management of the Village of Homer Glen is responsible for maintaining accurate financial records in order to ensure the efficiency and accountability of public funds. The accounts of the Village of Homer Glen are both organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in accounting for resources. The Village maintains a minimum number of funds to account for its operations. At this time, the Village utilizes only governmental funds, which include the General Fund, Motor Fuel Tax Fund, Park and Recreation Fund, Debt Service Fund and Capital Project Fund. The Village also maintains an Agency Fund to account for funds held in escrow for professional fees incurred in connection with development. A more detailed explanation of the funds utilized is available in the financial section of the CAFR report.

In order to ensure the accuracy of its financial position the Village engages an independent auditor to examine the Village's financial statements. The Village has received an unmodified opinion from the independent audit firm of Mueller CPA, verifying the accuracy of the Village's financial statements for the fiscal year.

Economic Condition and Outlook

Overview of Local Economy

The Village of Homer Glen is one of Illinois' newest municipalities. By referendum vote, the Village was incorporated on April 17, 2001. It had a population of 25,069 as of October 31, 2008 and therefore functions as a Home Rule community. The official 2010 Decennial Census figures were certified on March 3, 2011 indicating a population of 24,220. When the population dipped below 25,000, the residents needed to pass a referendum to remain a Home Rule community. In 2012, the voters approved a Home Rule referendum allowing the Village to continue as a Home Rule unit of local government. The Village covers an area of approximately 22 square miles. Homer Glen is a residential community with significant amounts of open space farmland and growing commercial areas.

To elaborate, the Village has commercial areas that generate a significant amount of sales tax revenue. The existence of sales tax revenue currently helps the Village operate without levying either municipal property taxes or utility taxes, for general operations. The Village officially adopted a Comprehensive Plan in early 2005 to help define and manage future growth.

Information Regarding Major Industries Affecting the Local Economy

There is no one significantly large employer located within the Village of Homer Glen. There are several senior care and residential facilities, educational facilities, commercial stores and governmental offices that employ a number of individuals. Sales tax receipts, from a growing commercial retail base, are one of the most important contributors to the Village organization's revenue stream.

Future Economic Outlook

The Village of Homer Glen has shown an upward trend in growth, increasing from a population of 22,269 (2000 census), to 24,083 (2004 special census), to 24,220 (2010 census), and then to the current estimated population of 24,481.

Homer Glen is located almost wholly in Homer Township and constitutes a majority of the Township's area and population. A 2004 annexation extended the Village's southeast boundary into New Lenox Township. Homer Township figures indicate a growth of 35% over the past 10 years. Other census figures for Homer Township show a significant growth in income and home values. (See Fig. 1)

Fig. 1

	Median Household Income		Median Value Owner Occupied Housing	
	1999	2010	1999	2010
Homer Township	\$79,793	\$103,603	\$217,800	\$356,000
Will County	\$62,238	\$85,488	\$154,300	\$240,500

There are approximately 5,000 acres of land in the Village of Homer Glen that are currently being farmed. For the most part, this acreage is owned by developers or investors. This provides an incredible potential for growth in the future that must be managed carefully. The Village has enacted construction and commercial development ordinances, to help preserve the Village's character, along with recent updates to the Village's zoning code. In addition, fire codes have been unified throughout the Village. Another ordinance established exterior construction standards for residential and commercial structures requiring first floor masonry. On December 18, 2007, the Village Board passed an ordinance regulating outdoor lighting to preserve the night sky as a natural resource.

Major Initiatives

Current Planning and Capital Projects

Several initiatives were successfully implemented in FY 17-18. Those initiatives are listed below.

- Phase I construction of Heritage Park began. Phase 1 includes Heritage Circle roadway, a multipurpose trail, storm water management, 136 new trees, and an expanded parking lot.
- The Village's first National Citizen Survey, a scientific-random survey of 1,500 households, was conducted.
- Approved a contract with Current Technologies Corporation for the replacement of the server at Village Hall.
- Purchased four AED units for Will County Sheriff's patrol cars.

- The Will Electric Aggregation Group agreed to a 12 month contract with Dynege (Homefield) for residential electric services. The Village has been a member of the intergovernmental negotiating group since a referendum was passed in 2012.
- Completed the Goodings Grove extension to Heroes Trail. The quarter-mile extension connects the path to Goodings Grove School on 143rd Street.
- Entered into an agreement with the Northern Illinois University Center for Governmental Studies for Strategic Planning Services.
- Hosted a community forum during the strategic planning process to gather input from stakeholders regarding the future of the Village.
- Completed an environmental scan of internal conditions and external influences to guide the creation of a strategic plan.
- Established the Sewer and Water Comment Form on the Village website to collect input from residents about Illinois American Water service.
- Approved a contract for Master Planning Services with Tria Architects for future phases and amenities within Heritage Park.
- Approved an intergovernmental cooperative planning and boundary agreement with the Village of Lemont.
- Approved a contract with TRIA Architects for design, bidding, and construction observation services for the Active Core portion of Heritage Park. Construction will begin in summer 2018.
- Approved an agreement with Homer Community Consolidated School District 33C to provide partial funding for the construction of a playground at Goodings Grove School. The playground is open to the public and accessible by the trail extension.
- Approved a contract with Airy's Inc. to execute 2017 Drainage Improvement Project No. 1 in the Erin Hills subdivision.
- Completed construction of Goodings Grove Park, a 3.5 acre park partially funded by an OSLAD grant from the State of Illinois.
- Installed trail markers along Heroes Trail that allow users to track their distance and communicate their location in the case of emergency.
- Approved an agreement for Construction Engineering Services related to the 159th Street Water Main Project with H.R. Green.
- Approved an intergovernmental agreement with Will County for the installation of warning lights for the bike trail crossing at 143rd Street and Pheasant Lane.
- Approved an intergovernmental agreement with Will County, City of Lockport, and Homer Township for cost sharing for the Phase I Engineering Study for the North-South connector for the Caton Farm Road-Bruce Road project.
- Approved a construction agreement with Illinois American Water for the Water main installation on 159th Street between Gougar Road and Cedar Road.
- Unified the Land Use and site development regulations chapters to streamline the provisions governing subdivision development.
- Authorized a Needs and Schematic Design Assessment of the Village's Emergency Management Agency Operations Building.

Street Resurfacing Program

The Village of Homer Glen, through the Highway Department, completed a significant street resurface program during the 2017 – 2018 construction year. The annual resurfacing program covered 5.31 miles of Village's roads this year. Portions of Village roads resurfaced with Village money in 2018 are included on the list below.

Street	Miles
Arapaho Trail	.22
Hiawatha Drive	.07
Cherokee Trail	.44
Kickapoo Trail	.37
Pawnee Lane	.18
Catawba Lane	.21
Shoshoni Drive	.19
Seminole Trail	.14
Mustang Drive	.48
Hank Court	.15
Stirrup Court	.08
Palomino Court	.11
Clydesdale Lane	.15
Appaloosa Lane	.33
Martingale Lane	.16
Shetland Drive	.14
Teal Drive	.11
Wood Duck Court	.07
Gadwell Court	.02
Mallard Lane	.78
Canvasback Court	.07
Yorkshire Drive	.30
Ivy Court	.04
Wingate Drive	.29
Rosewood Drive	.21

Financial Information

Internal Control Framework and Budgetary Controls

In developing and evaluating the Village's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: the safeguarding of assets against loss from unauthorized use or disposition; the reliability of financial records for preparing financial statements and maintaining accountability for assets; and the promoting of operational efficiency.

The concept of reasonable assurance recognizes that the costs of internal control should not exceed the benefits likely to be desired and that the evaluation of cost and benefits requires judgments by management. All internal control evaluations take place within the above framework. The relationship of internal control to basic management responsibilities emphasizes the relationship of the accounting system with all other management control systems. We believe that the Village's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of all financial transactions.

Budgetary control is maintained through an annual budget passed by the Village of Homer Glen's Village Board. The FY 2017-18 balanced budget is based on actual expected receipts and expenditures for the year plus any unexpended surplus from prior years. The Village may transfer budgeted amounts between departments within a fund. The budget is appropriately controlled through a computerized accounting system to assure effective fiscal management and accountability.

Financial reports, which compare actual to-date performance with the approved budget, are prepared monthly and presented to the Mayor, Village Board, Treasurer and Village Manager. In this manner, the Village is able to review the financial status of the various activities and funds on a monthly basis and determine the effectiveness of budgetary controls.

Other Information

Independent Audit

The Village of Homer Glen is required by state law to be audited annually by an independent certified public accountant. The Village Board has selected Mueller CPA for this task.

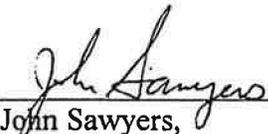
For the Fiscal Year Ending April 30, 2018, the Village has received an unmodified opinion from the independent auditor, meaning the auditor has determined that the financial statements of the Village are an accurate representation of the Village's financial position.

For additional financial highlights see management discussion and analysis contained in the CAFR, directly behind the independent auditor's report

Acknowledgements

The preparation of the Village of Homer Glen's comprehensive annual financial report was made possible by the cooperative efforts of the Village's administrative staff. In addition, we would also like to thank our accounting firm, Mueller CPA, for their guidance to the Village through this process.

Respectfully submitted,



John Sawyers,
Treasurer/Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Homer Glen
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2017

Christopher P. Morill

Executive Director/CEO

VILLAGE OF HOMER GLEN, ILLINOIS
NAMES AND TITLES OF PRINCIPAL OFFICIALS
APRIL 30, 2018

LEGISLATIVE

VILLAGE PRESIDENT

George Yukich

TRUSTEES

Brian Burian

Christina Neitzke-Troiike

Carlo Caprio

Beth Rodgers

Keith Gray

Sharon Sweas

Ann Holtz

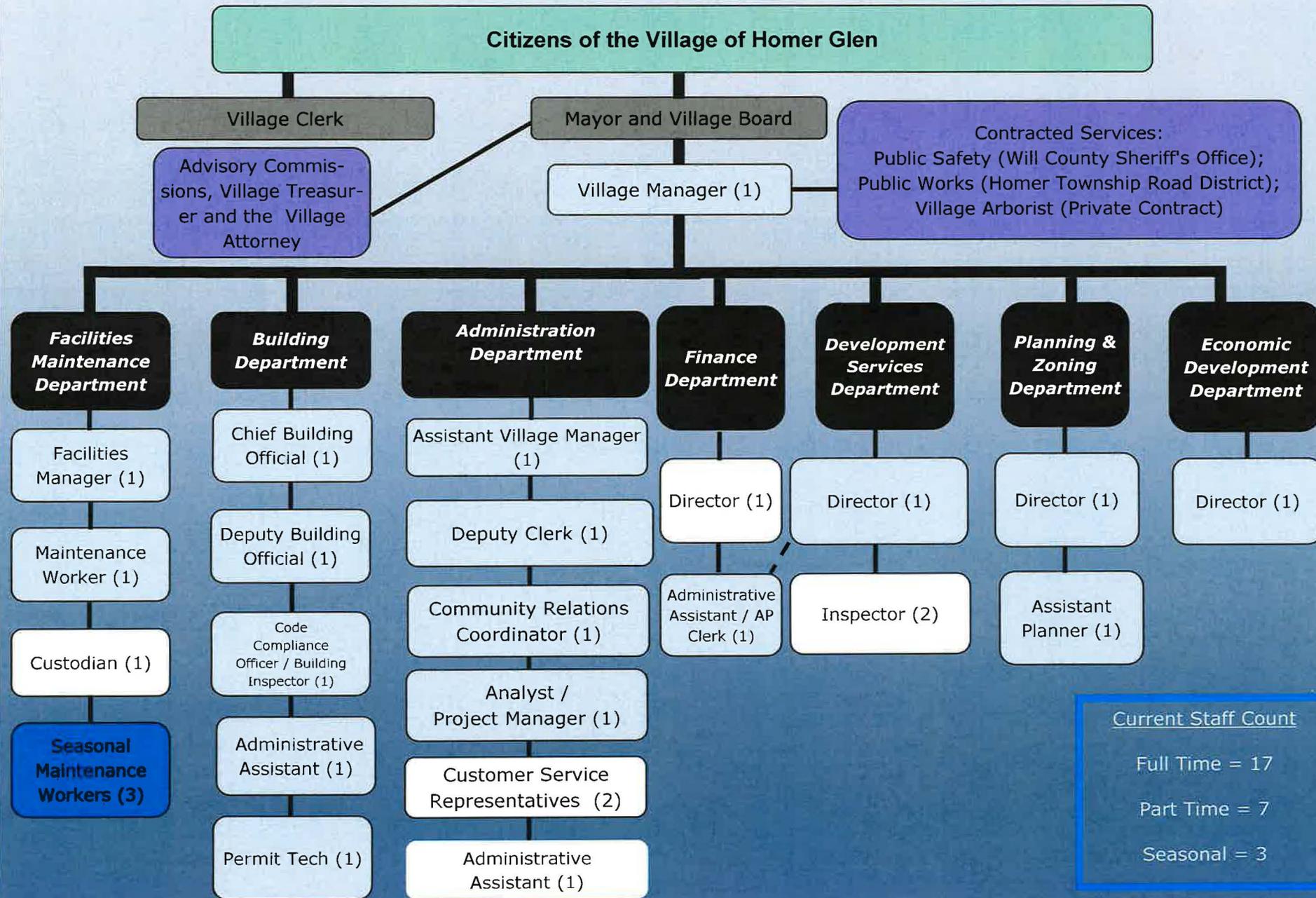
John Sawyers

Village Clerk

Village Treasurer

Village of Homer Glen Organizational Chart

XI



Current Staff Count
 Full Time = 17
 Part Time = 7
 Seasonal = 3

Legend: Constituents (Green), Elected Officials (Grey), Appointed Officials/Contracted Services (Purple), Full-Time (Light Blue), Part-Time (White), Seasonal (Dark Blue)

FINANCIAL SECTION



14300 Ravinia Avenue ■ Orland Park, Illinois ■ 60462
Ph: 708.349.6999 ■ Fax: 708.349.6639 ■ www.muellercpa.com

To the Honorable Village President and Board of Trustees
Village of Homer Glen, Illinois

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, each major fund, and the fiduciary fund of the Village of Homer Glen, Illinois, as of and for the year ended April 30, 2018, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 entity'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 entity'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, each major fund, and the fiduciary fund of the Village of Homer Glen, Illinois, as of April 30, 2018, and the respective changes in financial position thereof and the respective budgetary comparisons for the General Fund, Motor Fuel Tax Fund, and Park and Recreation Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of pension information on pages xiii through xxi and 35 through 37 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 basic financial statements of the Village of Homer Glen, Illinois. The introductory section, supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates 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 supplementary information is 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.

Report on Comparative Information

We have previously audited the financial statements of the governmental activities, each major fund, and the fiduciary fund of the Village of Homer Glen, Illinois for the year ended April 30, 2017, and we expressed unmodified audit opinions on those audited financial statements in our report dated October 20, 2017. In our opinion, the comparative information presented herein as of and for the year ended April 30, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Village of Homer Glen, Illinois, as a whole. The supplementary information for the Capital Projects Fund and the Debt Service Fund for the year ended April 30, 2017 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the April 30, 2017 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 April 30, 2017 supplementary information for the Capital Projects Fund and the Debt Service Fund is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

Muller & Co., LLP

Orland Park, Illinois
October 19, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Village of Homer Glen, Illinois
Management's Discussion and Analysis (Unaudited)
April 30, 2018

As management of the Village of Homer Glen, we offer readers of the Village of Homer Glen's financial statements this narrative overview and analysis of the financial activities of the Village of Homer Glen for the fiscal year ended April 30, 2018.

Financial Highlights

- The assets and deferred outflows of resources of the Village of Homer Glen exceeded its liabilities and deferred inflows of resources per the Statement of Net Position as of April 30, 2018 by \$58,027,534 (*net position*). Of this amount, \$4,182,116 was restricted for debt service, \$1,790,105 was restricted for public works, and \$4,022,129 was restricted for capital projects.

- As of April 30, 2018, the Village of Homer Glen's Governmental Funds Balance Sheet reported a combined ending fund balance of \$28,572,910. Fund balance decreased \$1,373,634 from the prior fiscal year. The decrease in fund balance was predominately from an increase in capital outlay expenditures related to the new Heritage Park project.

- For the fiscal year ending April 30, 2018, the Statement of Activities change in net position was \$3,481,646, which was \$626,186 more than the prior fiscal year. The fiscal year 2018 increase was the result of the current year increases in sales tax, park contributions, new home building permits and commercial permits.

Overview of the Financial Statements

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

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Village of Homer Glen's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Village of Homer Glen's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Homer Glen is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned, unused vacation and sick leave).

The governmental activities of the Village of Homer Glen include general government, public safety, building, public works, economic development, planning and zoning, and culture and recreation.

Village of Homer Glen, Illinois
Management's Discussion and Analysis (Unaudited)
April 30, 2018

The Village of Homer Glen has no business-type activities because sewer and water services are provided by a privately owned utility company.

The government-wide financial statements include only the activities of the Village of Homer Glen. The Village has no component units.

The government-wide financial statements can be found on pages 1-2 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Homer Glen, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Homer Glen can be categorized as governmental funds or fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Village of Homer Glen maintains five individual governmental funds. The governmental funds are considered to be major funds. There are no nonmajor governmental funds. Information is presented separately in the Balance Sheet - Governmental Funds and in the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. The basic governmental fund financial statements can be found on pages 3-15 of this report.

The Village of Homer Glen adopts an annual appropriated budget for its funds. Budgetary comparison statements have been provided to demonstrate compliance with these budgets.

Fiduciary Fund: The Village also maintains a fiduciary fund in the form of an agency fund, which is used to account for resources - exclusively cash - held by the Village for good faith deposits required for construction within the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs.

The fiduciary fund uses the accrual basis of accounting. The fiduciary fund financial statement can be found on page 16 of this report.

Village of Homer Glen, Illinois
Management's Discussion and Analysis (Unaudited)
April 30, 2018

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17-34 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, *required supplementary information* presents schedules of changes in the Village's net pension liability and Village contributions related to the Illinois Municipal Retirement Fund. Individual fund statements are presented immediately following the required supplementary information and can be found on pages 38 - 41 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Homer Glen, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$58,027,534 at the close of the most recent fiscal year.

	Governmental Activities	
	2018	2017
Cash and investments	\$7,057,621	\$5,230,298
Equity in pooled cash and investments	21,519,000	23,771,939
Receivables	1,643,220	1,839,639
Other assets	8,341	2,603
Capital assets	38,867,697	35,738,821
Total assets	<u>69,095,879</u>	<u>66,583,300</u>
Deferred outflows of resources related to pensions	<u>236,850</u>	<u>295,623</u>
Current liabilities	1,815,397	1,083,893
Noncurrent liabilities	9,265,066	11,241,240
Total liabilities	<u>11,080,463</u>	<u>12,325,133</u>
Deferred inflows of resources related to pensions	<u>224,732</u>	<u>7,902</u>
Net position:		
Net investment in capital assets	38,867,697	35,738,821
Restricted	9,994,350	10,403,915
Unrestricted	9,165,487	8,403,152
Total net position	<u>\$58,027,534</u>	<u>\$54,545,888</u>

Village of Homer Glen, Illinois
Management's Discussion and Analysis (Unaudited)
April 30, 2018

A large portion of the Village of Homer Glen's net position reflects its investment in capital assets (e.g. land, building, infrastructure, land improvements, equipment, signage and vehicles). The Village of Homer Glen uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. The Village of Homer Glen's investment in its capital assets, reported net of related debt, is not a spendable resource.

An additional portion of the Village's net position (17.2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$9,165,487 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the fiscal year, the Village is able to report positive balances in all reported categories of net position. The same situation held true for the prior fiscal year.

Governmental Activities. The Village of Homer Glen's "net position" at April 30, 2018 was \$58,027,534 which was an increase of \$3,481,646 from the prior year.

	Governmental Activities	
	2018	2017
Revenues		
Intergovernmental	\$7,651,371	\$7,541,041
Charges for services		
General government	1,348,827	1,253,335
Public works	1,380,040	1,318,270
Culture and recreation	182,461	172,855
Home rule sales tax	2,653,000	2,594,087
Capital contributions and grants		
Public works	263,900	0
Culture and recreation	140,322	116,012
Investment income	441,012	189,272
Other	5,028	25,192
Total revenues	<u>14,065,961</u>	<u>13,210,064</u>
Expenses		
General government	1,832,358	1,951,948
Public safety	4,100,993	4,248,752
Building	439,061	407,404
Public works	2,552,230	2,342,408
Culture and recreation	481,534	452,786
Economic development	732,519	681,288
Planning and zoning	205,407	0
Interest and costs	240,213	270,018
Total expenses	<u>10,584,315</u>	<u>10,354,604</u>
Change in net position	3,481,646	2,855,460
Net position – beginning	<u>54,545,888</u>	<u>51,690,428</u>
Net position – ending	<u>\$58,027,534</u>	<u>\$54,545,888</u>

**Village of Homer Glen, Illinois
 Management's Discussion and Analysis (Unaudited)
 April 30, 2018**

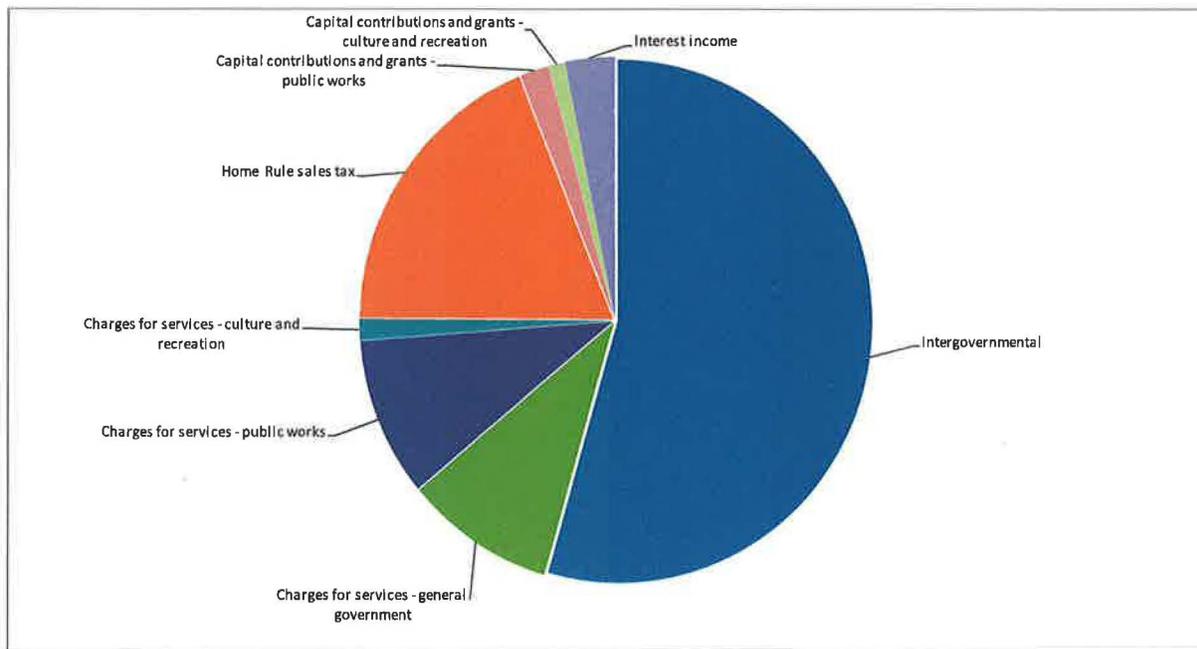
Revenues increased by \$855,897 from the previous period. The fiscal year 2018 increase was the result of the current year increases in sales tax, park contributions, new home building permits and commercial permits.

Public safety activities account for approximately 39 percent of the total expenses of the Village of Homer Glen. The Village subcontracts its public safety to the Will County Sheriff's Department. The Village paid \$3,948,440 for public safety to the Will County Sheriff's Department for the fiscal year ended April 30, 2018.

Public works activities account for approximately 24 percent of the expenses of the Village of Homer Glen. The Village has an intergovernmental agreement with the Homer Township Road District for maintenance of the streets. The maintenance cost for the year ended April 30, 2018 was \$1,338,632.

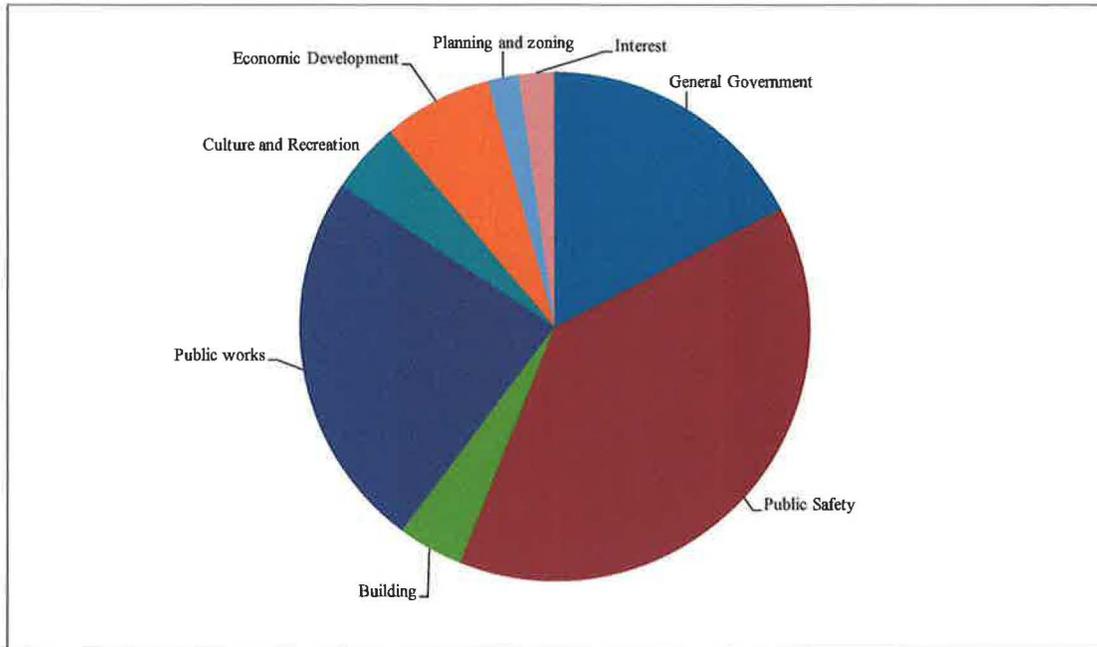
As shown by the following graphs and identified by the Statement of Activities on page 2, intergovernmental revenues not restricted or applicable to specific programs provide the major revenue source for governmental activities.

Revenues by Source - Governmental Activities



**Village of Homer Glen, Illinois
Management's Discussion and Analysis (Unaudited)
April 30, 2018**

Expenditures - Governmental Activities



Financial Analysis of the Government's Funds

As noted earlier, the Village of Homer Glen uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Village of Homer Glen's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village of Homer Glen's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Village itself, or a group or individual that has been delegated authority to assign resources for particular purposes by the Village's Board.

As of April 30, 2018, the Village of Homer Glen's governmental funds reported combined ending fund balances of \$28,572,910, of which \$2,704,938 was unassigned, \$484,638 was committed, \$6,078,181 was assigned, \$361,814 was considered nonspendable, and \$18,943,339 was restricted. Fund balance decreased by \$1,373,634. The decrease in fund balance was predominately from an increase in capital outlay expenditures relating to the new Heritage Park project.

**Village of Homer Glen, Illinois
Management's Discussion and Analysis (Unaudited)
April 30, 2018**

The General Fund continues to produce significant surpluses. An excess of revenues over expenditures of \$808,619 was reported in the current year. \$600,000 of this surplus was transferred to the Park and Recreation Fund. The increase in fund balance is the result of a current year increase in sales tax, new home building permits and commercial permits.

The Motor Fuel Tax fund balance at April 30, 2018 was \$1,790,105, of which all was restricted. Fund balance decreased by \$1,851,969 from the previous year. The decrease in fund balance is the result of the capital expenditures for the roadway at the new Heritage Park project.

The Park and Recreation fund balance at April 30, 2018 was \$3,952,239. The entire fund balance was assigned. Fund balance increased by \$654,135 from the previous year. The increase in fund balance resulted primarily from a \$600,000 transfer from the General Fund and an increase in developer park contributions.

The Capital Projects fund balance at April 30, 2018 was \$15,294,034, of which \$12,810,993 was restricted, \$357,099 was committed, and \$2,125,942 was assigned for future capital projects. The fund balance decreased by \$1,041,120 from the previous year. The decrease is the result of incurring \$1,218,923 of capital outlay costs. These expenditures were funded through the accumulation of prior years' fund equity.

The Debt Service fund balance at April 30, 2018 was \$2,639,795, all of which was restricted. Fund balance increased by \$656,701 from the previous year. The increase in fund balance resulted primarily from an excess of pledged home rule sales tax revenue over debt service costs.

General Fund Budgetary Highlights

The 2018 annual program budget for the Village of Homer Glen's General Fund identified the budgeted level of spending at \$8,900,616. Actual expenditures of \$8,645,125 (budgetary basis) were less than budgeted expenditures by \$282,035. Actual expenditures (budgetary basis) related to general government personnel were \$166,230 lower than anticipated. Actual expenditures (budgetary basis) related to general government other expenditures were \$198,836 lower than anticipated. Actual expenditures (budgetary basis) related to public works contractual services expenditures were \$177,703 higher than anticipated. The Village historically is conservative in its budgeting approach. Expenditures are forecasted given the circumstances present at the time.

The 2018 annual program budget for the Village of Homer Glen's General Fund identified the budgeted revenues at \$9,013,918. Actual revenues of \$9,744,306 (budgetary basis) were \$730,388 more than anticipated. This was primarily due to the receipt of \$325,238 more in licenses, fees and permits revenues than was anticipated.

Capital Assets

The Village of Homer Glen's investment in capital assets for its governmental activities as of April 30, 2018, is \$38,867,697, net of accumulated depreciation. This investment in capital assets includes construction in progress, land, building, vehicles, equipment, signage, and infrastructure. The majority of the infrastructure assets, measured at replacement cost – net of depreciation, were received via contribution from Homer Township as a result of the Village's incorporation on April 3, 2001. The infrastructure assets consist of roads, curbs and storm sewers.

Village of Homer Glen, Illinois
Management's Discussion and Analysis (Unaudited)
April 30, 2018

Capital assets, net of accumulated depreciation, as of April 30, 2018 and 2017 were as follows:

	Governmental Activities	
	<u>2018</u>	<u>2017</u>
Land	\$ 19,058,328	\$ 18,964,928
Construction in progress	103,900	240,676
Building	1,914,891	1,964,628
Equipment	208,798	184,710
Infrastructure	14,722,660	11,943,127
Land Improvements	2,666,625	2,230,489
Signage	6,604	8,153
Vehicles	185,891	202,110
Total Net Capital Assets	<u>\$ 38,867,697</u>	<u>\$ 35,738,821</u>

In the current fiscal year, the Village capitalized additional amounts related to the new Heritage Park project that began in the current fiscal year.

Additional information on the capital assets can be found in note II. D. in the Notes to Financial Statements.

Debt Management

The Village of Homer Glen had noncurrent liabilities of \$9,265,066 at April 30, 2018. Following is a comparative schedule of noncurrent liabilities:

	Governmental Activities	
	<u>2018</u>	<u>2017</u>
Bonds payable	\$ 8,345,000	\$ 9,895,000
Deferred amount:		
Issuance premium	443,864	624,117
Net pension liability	421,455	671,774
Compensated absences payable	<u>54,747</u>	<u>50,349</u>
Total	<u>\$ 9,265,066</u>	<u>\$ 11,241,240</u>

During the year, long-term debt decreased by \$1,976,174. The Village made scheduled debt payments on its general obligation bonds during the year. The Village also saw a decrease in the net pension liability during the year.

**Village of Homer Glen, Illinois
Management's Discussion and Analysis (Unaudited)
April 30, 2018**

Additional information on the long-term debt can be found in note II. F. in the Notes to Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- The Village continues to pursue commercial development, through its investment in economic development, to expand its tax base and secure new sales tax revenue.
- The Village projects moderate growth in sales tax and home rule sales tax resulting from new businesses opening in 2018-19.
- The Village projects a small increase in use tax revenue based on the previous year's trended performance and projections from Illinois Municipal League.
- The Village continues to proactively manage expenditures to match projected revenues.

Requests for Information

This financial report is designed to provide a general overview of the Village of Homer Glen's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Village Treasurer or the Office of the Village Manager, 14240 West 151st Street, Homer Glen, IL 60491.

General information relating to the Village of Homer Glen, Illinois, can be found at the Village's website, <http://www.homerglenil.org>.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF HOMER GLEN, ILLINOIS
STATEMENT OF NET POSITION
APRIL 30, 2018
WITH COMPARATIVE AMOUNTS FOR APRIL 30, 2017

	Governmental Activities	
	2018	2017
ASSETS		
Cash and investments	\$ 7,057,621	\$ 5,230,298
Equity in pooled cash and investments	21,519,000	23,771,939
Receivables:		
Intergovernmental	1,537,904	1,679,055
Other	105,316	160,584
Other assets	8,341	2,603
Capital assets not being depreciated	19,162,228	19,205,604
Other capital assets, net of accumulated depreciation	19,705,469	16,533,217
Total assets	69,095,879	66,583,300
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions	236,850	295,623
LIABILITIES		
Accounts payable and other current liabilities	1,809,797	1,070,383
Unearned revenue	5,600	13,510
Noncurrent liabilities:		
Due within one year	1,651,681	1,580,209
Due in more than one year	7,613,385	9,661,031
Total liabilities	11,080,463	12,325,133
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions	224,732	7,902
NET POSITION		
Net investment in capital assets	38,867,697	35,738,821
Restricted for debt service	4,182,116	3,499,582
Restricted for public works	1,790,105	3,642,074
Restricted for capital projects	4,022,129	3,262,259
Unrestricted	9,165,487	8,403,152
Total net position	\$ 58,027,534	\$ 54,545,888

See notes to basic financial statements.

VILLAGE OF HOMER GLEN, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2018
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED APRIL 30, 2017

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Position</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>2018</u>	<u>2017</u>
Functions/programs:					
Governmental activities:					
General government	\$ 1,832,358	\$ 1,348,827	\$ -	\$ (483,531)	\$ (698,613)
Public safety	4,100,993	-	-	(4,100,993)	(4,248,752)
Building	439,061	-	-	(439,061)	(407,404)
Public works	2,552,230	1,380,040	263,900	(908,290)	(1,024,138)
Economic development	732,519	-	-	(732,519)	(681,288)
Culture and recreation	481,534	182,461	140,322	(158,751)	(163,919)
Planning and zoning	205,407	-	-	(205,407)	-
Interest and costs	240,213	-	-	(240,213)	(270,018)
Total governmental activities	<u>\$ 10,584,315</u>	<u>\$ 2,911,328</u>	<u>\$ 404,222</u>	<u>(7,268,765)</u>	<u>(7,494,132)</u>
General revenues:					
Intergovernmental - unrestricted				7,651,371	7,541,041
Home rule sales tax				2,653,000	2,594,087
Investment income				441,012	189,272
Other income				5,028	25,192
Total general revenues				<u>10,750,411</u>	<u>10,349,592</u>
Change in net position				3,481,646	2,855,460
Net position at beginning of year				<u>54,545,888</u>	<u>51,690,428</u>
Net position at end of year				<u>\$ 58,027,534</u>	<u>\$ 54,545,888</u>

See notes to basic financial statements.

FUND FINANCIAL STATEMENTS

VILLAGE OF HOMER GLEN, ILLINOIS
BALANCE SHEET - GOVERNMENTAL FUNDS
APRIL 30, 2018
WITH COMPARATIVE TOTALS FOR APRIL 30, 2017

		Special Revenue	
ASSETS	General	Motor Fuel Tax	Park and Recreation
Cash and investments	\$ 3,971,663	\$ 1,585,958	\$ 1,500,000
Equity in pooled cash and investments	646,613	833,790	2,322,112
Receivables:			
Intergovernmental	946,664	55,446	170,500
Other	61,871	-	43,445
Other assets	8,341	-	-
Total assets	<u>\$ 5,635,152</u>	<u>\$ 2,475,194</u>	<u>\$ 4,036,057</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 685,661	\$ 685,089	\$ 80,293
Accrued expenditures	47,154	-	3,525
Unearned revenue	5,600	-	-
Total liabilities	738,415	685,089	83,818
Fund balances:			
Nonspendable	361,814	-	-
Restricted	1,702,446	1,790,105	-
Committed	127,539	-	-
Assigned	-	-	3,952,239
Unassigned	2,704,938	-	-
Total fund balances	4,896,737	1,790,105	3,952,239
Total liabilities and fund balances	<u>\$ 5,635,152</u>	<u>\$ 2,475,194</u>	<u>\$ 4,036,057</u>

See notes to basic financial statements.

<u>Capital Projects</u>	<u>Debt Service</u>	<u>Totals</u>	
		<u>2018</u>	<u>2017</u>
\$ -	\$ -	\$ 7,057,621	\$ 5,230,298
15,441,984	2,274,501	21,519,000	23,771,939
-	365,294	1,537,904	1,679,055
-	-	105,316	160,584
-	-	8,341	2,603
<u>\$ 15,441,984</u>	<u>\$ 2,639,795</u>	<u>\$ 30,228,182</u>	<u>\$ 30,844,479</u>
\$ 147,950	\$ -	\$ 1,598,993	\$ 781,474
-	-	50,679	102,951
-	-	5,600	13,510
<u>147,950</u>	<u>-</u>	<u>1,655,272</u>	<u>897,935</u>
-	-	361,814	359,478
12,810,993	2,639,795	18,943,339	21,108,990
357,099	-	484,638	528,427
2,125,942	-	6,078,181	5,463,687
-	-	2,704,938	2,485,962
<u>15,294,034</u>	<u>2,639,795</u>	<u>28,572,910</u>	<u>29,946,544</u>
<u>\$ 15,441,984</u>	<u>\$ 2,639,795</u>	<u>\$ 30,228,182</u>	<u>\$ 30,844,479</u>

VILLAGE OF HOMER GLEN, ILLINOIS
RECONCILIATION OF FUND BALANCES - TOTAL GOVERNMENTAL
FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES
APRIL 30, 2018

Fund balances - total governmental funds		\$ 28,572,910
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities of \$56,609,755, net of accumulated depreciation of \$17,742,058, are not financial resources and, therefore, are not reported in the funds.		38,867,697
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Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. Deferred outflows and inflows of resources related to pensions at year-end are as follows:

Deferred outflows related to pensions	\$ 236,850	
Deferred inflows related to pensions	<u>(224,732)</u>	

Total		12,118
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. Also, governmental funds report the effect of premiums, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Long-term liabilities and related accounts at year-end consist of:

Bonds payable	\$ (8,345,000)	
Unamortized issuance premium	(443,864)	
Accrued interest on bonds	(160,125)	
Net pension liability	(421,455)	
Compensated absences payable	<u>(54,747)</u>	

Total		<u>(9,425,191)</u>
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Net position of governmental activities		<u>\$ 58,027,534</u>
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See notes to basic financial statements.

VILLAGE OF HOMER GLEN, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2018
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED APRIL 30, 2017

	<u>Special Revenue</u>		
	<u>General</u>	<u>Motor Fuel Tax</u>	<u>Park and Recreation</u>
Revenues:			
Taxes:			
Home rule sales	\$ -	\$ -	\$ -
Intergovernmental	7,720,998	674,396	870,586
Licenses, fees and permits	1,348,827	-	-
Community festival	182,461	-	-
Contributions	-	-	66,097
Investment income	136,043	39,441	45,565
Other income	3,685	-	-
Total revenues	<u>9,392,014</u>	<u>713,837</u>	<u>982,248</u>
Expenditures:			
Current operations:			
General government	1,649,219	-	6,153
Public safety	4,075,163	-	-
Building	430,891	-	-
Public works	1,400,758	286,702	-
Economic development	731,647	-	-
Planning and zoning	197,412	-	-
Culture and recreation	326	-	284,428
Capital outlay:			
General government	28,037	-	-
Public safety	43,287	-	-
Building	18,660	-	-
Public works	-	2,279,104	-
Planning and zoning	7,995	-	-
Culture and recreation	-	-	637,532
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>8,583,395</u>	<u>2,565,806</u>	<u>928,113</u>
Excess (deficiency) of revenues over expenditures	<u>808,619</u>	<u>(1,851,969)</u>	<u>54,135</u>
Other financing sources (uses):			
Transfers in	-	-	600,000
Transfers out	(600,000)	-	-
Total other financing sources (uses)	<u>(600,000)</u>	<u>-</u>	<u>600,000</u>
Net change in fund balances	208,619	(1,851,969)	654,135
Fund balances at beginning of year	<u>4,688,118</u>	<u>3,642,074</u>	<u>3,298,104</u>
Fund balances at end of year	<u>\$ 4,896,737</u>	<u>\$ 1,790,105</u>	<u>\$ 3,952,239</u>

See notes to basic financial statements.

<u>Capital Projects</u>	<u>Debt Service</u>	<u>Totals</u>	
		<u>2018</u>	<u>2017</u>
\$ -	\$ 2,653,000	\$ 2,653,000	\$ 2,594,087
11,499	-	9,277,479	8,879,378
-	-	1,348,827	1,253,335
-	-	182,461	172,855
-	-	66,097	116,012
219,963	-	441,012	189,272
-	-	3,685	5,125
<u>231,462</u>	<u>2,653,000</u>	<u>13,972,561</u>	<u>13,210,064</u>
53,659	-	1,709,031	1,885,499
-	-	4,075,163	4,226,270
-	-	430,891	405,419
-	-	1,687,460	1,656,654
-	-	731,647	676,835
-	-	197,412	-
-	-	284,754	247,746
-	-	28,037	155,531
-	-	43,287	10,304
-	-	18,660	26,586
1,161,780	-	3,440,884	1,785,244
-	-	7,995	-
57,143	-	694,675	408,559
-	1,550,000	1,550,000	1,505,000
-	446,299	446,299	491,450
<u>1,272,582</u>	<u>1,996,299</u>	<u>15,346,195</u>	<u>13,481,097</u>
<u>(1,041,120)</u>	<u>656,701</u>	<u>(1,373,634)</u>	<u>(271,033)</u>
-	-	600,000	500,000
-	-	(600,000)	(500,000)
-	-	-	-
<u>(1,041,120)</u>	<u>656,701</u>	<u>(1,373,634)</u>	<u>(271,033)</u>
<u>16,335,154</u>	<u>1,983,094</u>	<u>29,946,544</u>	<u>30,217,577</u>
<u>\$ 15,294,034</u>	<u>\$ 2,639,795</u>	<u>\$ 28,572,910</u>	<u>\$ 29,946,544</u>

**VILLAGE OF HOMER GLEN, ILLINOIS
RECONCILIATION OF THE EXCESS (DEFICIENCY) OF REVENUES OVER
EXPENDITURES OF GOVERNMENTAL FUNDS TO THE CHANGE
IN NET POSITION OF GOVERNMENTAL ACTIVITIES
YEAR ENDED APRIL 30, 2018**

Excess (deficiency) of revenues over expenditures - total governmental funds \$ (1,373,634)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capitalized expenditures (\$4,118,153) exceeded depreciation (\$1,082,677) in the current period. 3,035,476

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources. 93,400

The issuance of long-term debt (e.g., bonds, financing leases payable) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt uses current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effects of these differences in the treatment of long-term debt and related items are summarized as follows:

Principal repayments	\$	1,550,000	
Amortization of issuance premium		<u>180,253</u>	
 Total			 1,730,253

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The decrease in the accrued interest balance results in a decrease in interest expense reported in the statement of activities. 25,833

Certain expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. This is the amount by which the accrual for these expenses at the end of the current fiscal year changed from the corresponding amount at the end of the previous fiscal year. (4,398)

Governmental funds report Village pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded Village pension contributions in the current period. (25,284)

Change in net position of governmental activities \$ 3,481,646

VILLAGE OF HOMER GLEN, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GENERAL FUND
YEAR ENDED APRIL 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2017

	<u>2018</u>			<u>2017</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:					
Intergovernmental	\$ 7,792,518	\$ 7,792,518	\$ 8,042,933	\$ 250,415	\$ 7,564,203
Licenses, fees and permits	1,055,800	1,055,800	1,381,038	325,238	1,281,316
Community festival	138,000	138,000	174,551	36,551	173,455
Investment income (loss)	20,000	20,000	136,043	116,043	28,057
Other income	7,600	7,600	9,741	2,141	(2,886)
	<u>9,013,918</u>	<u>9,013,918</u>	<u>9,744,306</u>	<u>730,388</u>	<u>9,044,145</u>
Expenditures:					
General government:					
Current:					
Personnel	1,137,122	1,137,122	970,892	166,230	1,020,285
Communication	25,000	25,000	32,585	(7,585)	26,286
Contractual services	97,580	97,580	90,998	6,582	85,365
Maintenance	50,315	50,315	25,276	25,039	12,756
Professional development	52,800	52,800	51,587	1,213	44,358
Professional fees	170,215	170,215	225,892	(55,677)	147,355
Supplies	73,700	73,700	49,851	23,849	51,133
Other	449,325	449,325	250,489	198,836	293,160
Capital outlay	32,605	32,605	28,037	4,568	12,732
Public safety:					
Current:					
Personnel	13,000	13,000	14,490	(1,490)	13,000
Contractual services	3,985,000	3,985,000	3,972,765	12,235	4,113,980
Supplies	7,400	7,400	6,202	1,198	3,467
Other	116,425	116,425	95,095	21,330	103,267
Capital outlay	43,750	43,750	43,108	642	10,304
Building:					
Current:					
Personnel	422,864	422,864	407,871	14,993	379,306
Contractual services	10,750	10,750	12,695	(1,945)	13,193
Maintenance	1,250	1,250	-	1,250	4,413
Supplies	6,300	6,300	5,110	1,190	3,727
Other	5,000	5,000	5,312	(312)	4,437
Capital outlay	19,000	19,000	18,660	340	26,586

See notes to basic financial statements.

	2018			2017	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Public works:					
Current:					
Contractual services	1,225,000	1,225,000	1,402,703	(177,703)	1,381,773
Economic development:					
Current:					
Personnel	108,953	108,953	107,548	1,405	103,038
Contractual services	1,200	1,200	1,092	108	1,138
Supplies	1,100	1,100	-	1,100	300
Other	610,185	610,185	621,108	(10,923)	574,003
Planning and zoning:					
Current:					
Personnel	177,638	177,638	169,261	8,377	-
Contractual service	12,600	12,600	19,378	(6,778)	-
Supplies	1,500	1,500	204	1,296	-
Other	35,139	35,139	8,595	26,544	-
Capital outlay	7,500	7,500	7,995	(495)	-
Culture and recreation:					
Current:					
Other	400	400	326	74	212
Total expenditures	<u>8,900,616</u>	<u>8,900,616</u>	<u>8,645,125</u>	<u>282,035</u>	<u>8,429,574</u>
Excess of revenues over expenditures	113,302	113,302	1,099,181	1,012,423	614,571
Other financing uses:					
Transfers out	<u>-</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>-</u>	<u>(500,000)</u>
Net change in fund balances	113,302	(486,698)	499,181	1,012,423	114,571
Fund balances at beginning of year (non-GAAP budgetary basis)	<u>4,034,000</u>	<u>4,034,000</u>	<u>4,034,000</u>	<u>-</u>	<u>3,919,429</u>
Fund balances at end of year (non-GAAP budgetary basis)	<u>\$ 4,147,302</u>	<u>\$ 3,547,302</u>	<u>\$ 4,533,181</u>	<u>\$ 1,012,423</u>	<u>\$ 4,034,000</u>

(continued)

VILLAGE OF HOMER GLEN, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GENERAL FUND
YEAR ENDED APRIL 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2017

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures:

Sources / inflows of resources:

Actual amount (budgetary basis) "available for appropriation" from the budgetary comparison statement	\$ 9,744,306
Differences - budget to GAAP:	
Receivables:	
Other taxes	(321,935)
Other	(38,267)
Unearned revenue	7,910
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	\$ 9,392,014

Uses / outflows of resources:

Actual amount (budgetary basis) "total charges to appropriations" from the budgetary comparison statement	\$ 8,645,125
Differences - budget to GAAP:	
Other assets	
	5,738
Payables:	
Accounts payable	(15,062)
Accrued expenses	(52,406)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	\$ 8,583,395 (concluded)

See notes to basic financial statements.

VILLAGE OF HOMER GLEN, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
MOTOR FUEL TAX FUND
YEAR ENDED APRIL 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2017

	<u>2018</u>			<u>2017</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Intergovernmental:				
Motor fuel tax allotments	\$ 650,665	\$ 642,193	\$ (8,472)	\$ 642,606
Other	-	29,786	29,786	716,755
Investment income	<u>12,000</u>	<u>39,441</u>	<u>27,441</u>	<u>20,225</u>
Total revenues	<u>662,665</u>	<u>711,420</u>	<u>48,755</u>	<u>1,379,586</u>
Expenditures:				
Current:				
Public works:				
Maintenance	60,000	95,611	(35,611)	88,900
Contractual services	421,600	192,845	228,755	183,600
Capital outlay	<u>2,824,201</u>	<u>1,628,512</u>	<u>1,195,689</u>	<u>40,896</u>
Total expenditures	<u>3,305,801</u>	<u>1,916,968</u>	<u>1,388,833</u>	<u>313,396</u>
Excess (deficiency) of revenues over expenditures	(2,643,136)	(1,205,548)	1,437,588	1,066,190
Fund balances at beginning of year (non-GAAP budgetary basis)	<u>3,625,296</u>	<u>3,625,296</u>	<u>-</u>	<u>2,559,106</u>
Fund balances at end of year (non-GAAP budgetary basis)	<u>\$ 982,160</u>	<u>\$ 2,419,748</u>	<u>\$ 1,437,588</u>	<u>\$ 3,625,296</u>

See notes to basic financial statements.

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures:

Sources / inflows of resources:

Actual amount (budgetary basis) "available for appropriation" from the budgetary comparison statement	\$ 711,420
Difference - budget to GAAP:	
Receivables:	
Motor fuel tax allotments	<u>2,417</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 713,837</u>

Uses / outflows of resources:

Actual amount (budgetary basis) "total charges to appropriations" from the budgetary comparison statement	\$ 1,916,968
Difference - budget to GAAP:	
Accounts payable	<u>648,838</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 2,565,806</u>

VILLAGE OF HOMER GLEN, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
PARK AND RECREATION FUND
YEAR ENDED APRIL 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2017

	<u>2018</u>			<u>2017</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:					
Contributions	\$ 60,000	\$ 60,000	\$ 66,097	\$ 6,097	\$ 116,012
Intergovernmental	891,300	891,300	717,087	(174,213)	679,267
Investment income	<u>12,000</u>	<u>12,000</u>	<u>45,565</u>	<u>33,565</u>	<u>19,010</u>
Total revenues	<u>963,300</u>	<u>963,300</u>	<u>828,749</u>	<u>(134,551)</u>	<u>814,289</u>
Expenditures:					
Current:					
General government:					
Other	2,500	2,500	5,500	(3,000)	327
Culture and recreation:					
Personnel	218,906	218,906	224,118	(5,212)	184,345
Contractual services	44,750	44,750	22,604	22,146	29,069
Maintenance	101,000	101,000	36,728	64,272	32,971
Capital outlay	<u>1,274,227</u>	<u>1,274,227</u>	<u>595,283</u>	<u>678,944</u>	<u>372,366</u>
Total expenditures	<u>1,641,383</u>	<u>1,641,383</u>	<u>884,233</u>	<u>757,150</u>	<u>619,078</u>
Excess (deficiency) of revenues over expenditures	(678,083)	(678,083)	(55,484)	622,599	195,211
Other financing sources:					
Transfers in	<u>-</u>	<u>600,000</u>	<u>600,000</u>	<u>-</u>	<u>500,000</u>
Net change in fund balances	(678,083)	(78,083)	544,516	622,599	695,211
Fund balances at beginning of year (non-GAAP budgetary basis)	<u>3,272,526</u>	<u>3,272,526</u>	<u>3,272,526</u>	<u>-</u>	<u>2,577,315</u>
Fund balances at end of year (non-GAAP budgetary basis)	<u>\$ 2,594,443</u>	<u>\$ 3,194,443</u>	<u>\$ 3,817,042</u>	<u>\$ 622,599</u>	<u>\$ 3,272,526</u>

See notes to basic financial statements.

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures:

Sources / inflows of resources:

Actual amount (budgetary basis) "available for appropriation" from the budgetary comparison statement	\$ 828,749
Differences - budget to GAAP:	
Receivables:	
Intergovernmental	<u>153,499</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 982,248</u>

Uses / outflows of resources:

Actual amount (budgetary basis) "total charges to appropriations" from the budgetary comparison statement	\$ 884,233
Difference - budget to GAAP:	
Accounts payable	43,746
Accrued expenses	<u>134</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 928,113</u>

VILLAGE OF HOMER GLEN, ILLINOIS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUND - REVOLVING ESCROW FUND
APRIL 30, 2018
WITH COMPARATIVE AMOUNTS FOR APRIL 30, 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Equity in pooled cash and investments	<u>\$ 106,357</u>	<u>\$ 93,182</u>
LIABILITIES		
Other payables	<u>\$ 106,357</u>	<u>\$ 93,182</u>

See notes to basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. The Village does not engage in any business-type activities.

B. Reporting Entity

The Village of Homer Glen, Illinois was incorporated April 3, 2001. The Village operates under the Council-Manager form of government and provides the following services as authorized by its charter: public safety (police), public works, building, culture-recreation, public improvements, and general administrative services.

These financial statements include the Village and its component units, entities for which the Village is considered to be financially accountable. At April 30, 2018, no entities were considered component units of the Village.

C. Basis of Presentation - Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities incorporate data from the governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the Village's funds, including its fiduciary fund. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. The Village had no nonmajor funds at April 30, 2018.

The Village's governmental funds are comprised of the following:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

The Motor Fuel Tax Fund accumulates motor fuel tax allotments that are used for highways and streets throughout the Village.

The Park and Recreation Fund accumulates local fuel taxes and donations from developers to be used for parks throughout the Village.

The Capital Projects Fund accounts for the acquisition or construction of major capital projects throughout the Village.

The Debt Service Fund is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

Additionally, the Village reports the following fiduciary fund type:

The Village's agency fund, the Revolving Escrow Fund, accounts for good faith deposits required for construction within the Village.

During the course of operations the Village has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in the fund financial statements, they are eliminated in the preparation of the government-wide financial statements.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, the transfers are eliminated in the preparation of the government-wide financial statements.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. As of April 30, 2018, the state of Illinois, as a result of its financial difficulties, was several months in arrears in remitting state income tax collections to the Village. The availability period for state income tax revenue has been extended so that twelve months of revenue are reflected in the accompanying financial statements.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Sales and other taxes, motor fuel tax allotments, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Village.

The agency fund has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities.

F. Budgetary Information

The Village adopts its budgets on an annual basis. The Village has adopted the budgetary system for the current and future fiscal years. The Village follows these procedures in establishing the budgetary data:

1. All departments of the Village submit requests for appropriation to the Village Treasurer who prepares the budget for submission to the Village Manager. The budget is prepared by fund, function, and activity, and includes information on current year estimates and requested appropriations for the next fiscal year.
2. The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.
3. The budget is legally enacted through passage of an ordinance. The budget for the year ended April 30, 2018 was adopted through the passage of ordinance number 17-024 on April 26, 2017.

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

4. The Village Treasurer is authorized to transfer budgeted amounts within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body. The budget was amended during this fiscal year.
5. Budgets are adopted on the cash basis of accounting for all governmental funds. The level of control (level at which expenditures may not exceed budget/appropriations) is the fund. Appropriations lapse at the end of the fiscal year.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

Cash and cash equivalents of the Village are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

The Illinois Public Funds Investment Act permits the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds, and the Illinois Metropolitan Investment Fund.

Investments of the Village are reported at fair value (generally based on quoted market prices) except for the positions in the Illinois Funds Investment Pool (Illinois Funds) and the Illinois Metropolitan Investment Fund (IMET).

Illinois Funds is an investment pool managed by the Illinois State Treasurer's Office, which allows governments within the state to pool their funds for investment purposes. The State of Illinois provides regulatory oversight of the Illinois Funds. Illinois Funds is not registered with the Securities and Exchange Commission as an investment company.

IMET is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a board of trustees elected from participating members. IMET is not registered with the Securities and Exchange Commission as an investment company.

Cash and investments of the Village are pooled into a common pooled account in order to maximize investment opportunities. Each fund whose monies are deposited into the pooled account has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month end. An individual fund's equity in the pooled account is available upon demand and is considered to be a cash equivalent when preparing these financial statements. Each fund's portion of the pool is displayed on its respective balance sheet as "equity in pooled cash and investments." In addition, non-pooled cash and investments are separately held and reflected in the respective funds as "cash and investments."

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

3. *Capital Assets*

Capital assets, which include land, equipment, land improvements, vehicles, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost exceeding \$5,000 and an estimated useful life in excess of one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at acquisition value.

Land and construction in progress are not depreciated. The other capital assets are depreciated using the straight-line method over the following estimated useful lives:

Building	40 years
Equipment	7 years
Improvements (including infrastructure)	20-50 years
Signage	7 years
Vehicles	5 years

4. *Deferred Outflows/Inflows of Resources*

In addition to assets, the financial statements 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 position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village has one item that qualifies for reporting in this category in the government-wide statement of net position. It is the *deferred outflows of resources related to pensions* (see Note II.H for further discussion of deferred outflows of resources related to pensions).

In addition to liabilities, the financial statements 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 position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Village has one item that qualifies for reporting in this category in the government-wide statement of net position. It is the *deferred inflows of resources related to pensions* (see Notes II.H for further discussion of deferred inflows of resources related to pensions).

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

5. Net Position Flow Assumption

Sometimes the Village will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Village's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

6. Fund Balance Flow Assumptions

Sometimes the Village will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Village's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last. Positive unassigned fund balance is only reported in the General Fund.

7. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Village itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Village's highest level of decision-making authority. The Village Council is the highest level of decision-making authority for the Village that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Village for specific purposes but do not meet the criteria to be classified as committed. The Village Council has by resolution authorized the finance director to assign fund balance. The Village Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

H. Revenues and Expenses/Expenditures

1. Program Revenues

Amounts reported as *program revenues* include 1) charges to individuals or entities that 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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Compensated Absences

It is the Village's policy to permit employees to accumulate earned but unused benefit days throughout the year based on their years of service. Benefit pay is accrued when incurred in the government-wide financial statements. A liability for benefit pay is reported in governmental funds only if it has matured, for example, as a result of employee resignations or retirements.

I. Comparative Data

Comparative data for the prior year have been presented in the financial statements in order to provide an understanding of the changes in the financial position and operations of the Village.

J. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amount of assets, liabilities, and deferred outflows/inflows of resources; the disclosure of contingent assets and liabilities; and the reported revenues and expenditures/expenses. Significant estimates used in preparing the government-wide financial statements include the assumptions used to determine the net pension liability and the deferred outflows/inflows of resources related to the pension. It is at least reasonably possible that the significant estimates used will change within the next year.

II. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and Investments

Deposits

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Village's deposits might not be recovered. The Village does not have a deposit policy for custodial credit risk. As of April 30, 2018, \$505,804 of the Village's bank balances of \$764,942 was uninsured and collateralized with a letter of credit.

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

Investments

As of April 30, 2018, the Village had the following investments:

Type of Investment	Fair Value	Average Credit Quality/ Ratings (1)	Weighted Average Years to Maturity (2)
External investment pools:			
The Illinois Funds	\$ 6,178,103	AAAm	<1
Illinois Metropolitan Investment Fund (IMET):			
Liquidating Trust (3)	361,814	N/A	Not available
Pooled investments (4):			
Certificates of deposit	4,726,191	N/A	1.20
External investment pool:			
Illinois Metropolitan Investment Fund (IMET):			
Convenience Fund	<u>16,891,029</u>	N/A	<1
Total investments	<u>\$ 28,157,137</u>		

- (1) Ratings are provided where applicable to indicate associated *Credit Risk*. N/A indicates not applicable.
- (2) *Interest Rate Risk* is estimated using weighted average years to maturity.
- (3) Amounts held in this trust have been reduced to their estimated net realizable value. It is not currently known when funds will be released to the Village as a result of IMET's legal proceedings.
- (4) Pooled cash and investments are reported as *equity in pooled cash and investments*. Investments in the pool are not separately reported in the financial statements as ownership of investments cannot be assigned to individual funds including fiduciary funds. Therefore, total investments will not agree to the financial statements.

Investment Policies

The Village's investments are subject to the following risks:

Concentration of credit risk is the risk of loss attributed to the magnitude of the Village's investment in a single issuer.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Village will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The Village does not have an investment policy for the above risks.

B. Fair Value Measurements

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

Certificates of deposit - Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yield currently available on comparable securities of issuers with similar credit ratings.

External investment pools - Valued using the pool's share price, the price for which the investment could be sold.

There have been no changes in valuation techniques during the year ended April 30, 2018.

The following table summarizes the investments of the Village for which fair values are determined on a recurring basis as of April 30, 2018:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
Certificates of deposit	\$ -	\$ 4,726,191	\$ -	\$ 4,726,191
External investment pools	-	23,430,946	-	23,430,946
Total investments at fair value	<u>\$ -</u>	<u>\$ 28,157,137</u>	<u>\$ -</u>	<u>\$ 28,157,137</u>

C. Receivables

Receivables at April 30, 2018 for intergovernmental and other revenues are deemed collectible in full.

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

D. Capital Assets

Capital asset activity for the year ended April 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions and Transfers</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 18,964,928	\$ 93,400	\$ -	\$ 19,058,328
Construction in progress	<u>240,676</u>	<u>-</u>	<u>(136,776)</u>	<u>103,900</u>
Total	<u>19,205,604</u>	<u>93,400</u>	<u>(136,776)</u>	<u>19,162,228</u>
Capital assets being depreciated				
Building	1,989,497	-	-	1,989,497
Equipment	402,328	63,403	-	465,731
Infrastructure	27,342,700	3,408,108	136,776	30,887,584
Land improvements	3,062,865	604,233	-	3,667,098
Signage	18,645	-	-	18,645
Vehicles	<u>376,563</u>	<u>42,409</u>	<u>-</u>	<u>418,972</u>
Total	<u>33,192,598</u>	<u>4,118,153</u>	<u>136,776</u>	<u>37,447,527</u>
Less accumulated depreciation for:				
Building	(24,869)	(49,737)	-	(74,606)
Equipment	(217,618)	(39,315)	-	(256,933)
Infrastructure	(15,399,573)	(765,351)	-	(16,164,924)
Land improvements	(832,376)	(168,097)	-	(1,000,473)
Signage	(10,492)	(1,549)	-	(12,041)
Vehicles	<u>(174,453)</u>	<u>(58,628)</u>	<u>-</u>	<u>(233,081)</u>
Total	<u>(16,659,381)</u>	<u>(1,082,677)</u>	<u>-</u>	<u>(17,742,058)</u>
Total capital assets being depreciated, net	<u>16,533,217</u>	<u>3,035,476</u>	<u>136,776</u>	<u>19,705,469</u>
Total capital assets	<u>\$ 35,738,821</u>	<u>\$ 3,128,876</u>	<u>\$ -</u>	<u>\$ 38,867,697</u>

For the year ended April 30, 2018, depreciation of \$299,479, \$765,351, and \$17,847 was charged to the general government, public works, and public safety functions, respectively.

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

E. Interfund Transfers

Transfers are used to move unrestricted revenues collected in a fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. \$600,000 was transferred from the General Fund to the Park and Recreation Fund during the year ended April 30, 2018 to finance projects in that fund.

F. Long-Term Liabilities

Long-term debt as of April 30, 2018 is summarized as follows:

General Obligation Bonds

Issued September 25, 2012
General Obligation Bonds, Series 2012A

<u>Fiscal Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,615,000	\$ 384,300	\$ 1,999,300
2020	1,680,000	319,700	1,999,700
2021	1,745,000	252,500	1,997,500
2022	1,830,000	165,250	1,995,250
2023	<u>1,475,000</u>	<u>73,750</u>	<u>1,548,750</u>
Total	<u>\$ 8,345,000</u>	<u>\$ 1,195,500</u>	<u>\$ 9,540,500</u>

Denomination	\$5,000
Bonds due each year	December 1st
Interest dates	December 1st and June 1st
Interest rates	2% - 5%

The above bonds were issued to provide funds for road expansion and water transmission lines. The Village has pledged home rule sales tax revenue to fund this debt as it comes due.

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

Legal Debt Margin

The Village's legal debt margin at April 30, 2018 is calculated as follows:

Equalized assessed valuation of taxable property (2017 levy - the most current information available)	\$ 923,833,777
Legal applicable rate	<u>8.62500 %</u>
Legal applicable limit	79,680,663
Less outstanding balance of general obligation bonds	<u>(8,345,000)</u>
Legal debt margin	<u>\$ 71,335,663</u>

Long-term liability activity for the year ended April 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Adjustments / Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds payable	\$ 9,895,000	\$ -	\$ (1,550,000)	\$ 8,345,000	\$ 1,615,000
Issuance premium	624,117	-	(180,253)	443,864	-
Net pension liability	671,774	163,412	(413,731)	421,455	-
Compensated absences payable	<u>50,349</u>	<u>104,974</u>	<u>(100,576)</u>	<u>54,747</u>	<u>36,681</u>
Total	<u>\$ 11,241,240</u>	<u>\$ 268,386</u>	<u>\$ (2,244,560)</u>	<u>\$ 9,265,066</u>	<u>\$ 1,651,681</u>

The net pension liability and compensated absences payable have typically been liquidated from the General Fund in prior years.

G. Fund Balances

As of April 30, 2018, fund balances were comprised of the following:

	<u>General Fund</u>	<u>Motor Fuel Tax Fund</u>	<u>Park and Recreation Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Nonspendable:						
IMET Liquidating Trust	\$ 361,814	\$ -	\$ -	\$ -	\$ -	\$ 361,814
Restricted:						
Debt service	1,702,446	-	-	-	2,639,795	4,342,241
Highway and street construction and maintenance	-	1,790,105	-	-	-	1,790,105
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,810,993</u>	<u>-</u>	<u>12,810,993</u>
Total restricted	<u>1,702,446</u>	<u>1,790,105</u>	<u>-</u>	<u>12,810,993</u>	<u>2,639,795</u>	<u>18,943,339</u>

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

	<u>General Fund</u>	<u>Motor Fuel Tax Fund</u>	<u>Park and Recreation Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Committed:						
Special events	127,539	-	-	-	-	127,539
Capital projects	-	-	-	357,099	-	357,099
Total committed	<u>127,539</u>	<u>-</u>	<u>-</u>	<u>357,099</u>	<u>-</u>	<u>484,638</u>
Assigned to:						
Park development	-	-	3,952,239	-	-	3,952,239
Capital projects	-	-	-	2,125,942	-	2,125,942
Total assigned	<u>-</u>	<u>-</u>	<u>3,952,239</u>	<u>2,125,942</u>	<u>-</u>	<u>6,078,181</u>
Unassigned	<u>2,704,938</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,704,938</u>
Total fund balances	<u>\$ 4,896,737</u>	<u>\$ 1,790,105</u>	<u>\$ 3,952,239</u>	<u>\$ 15,294,034</u>	<u>\$ 2,639,795</u>	<u>\$ 28,572,910</u>

H. Defined Benefit Pension Plan

Plan Description. The Village's defined benefit pension plan for employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

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

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by three percent of the original amount on January 1 every year after retirement.

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- One-half of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms. As of December 31, 2017, the following employees of the Village and were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	7
Inactive plan members entitled to but not yet receiving benefits	5
Active plan members	<u>18</u>
 Total	 <u><u>30</u></u>

Contributions. As set by statute, the Village's Regular Plan members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rates were 10.71% and 10.59% for calendar years 2018 and 2017, respectively. For the fiscal year ended April 30, 2018, the Village contributed \$138,128 to the plan. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The following are the methods and assumptions used to determine the total pension liability at December 31, 2017:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.75%.
- Salary Increases were expected to be 3.75% to 14.50%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2017:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	37 %	6.85 %
Fixed income	28	3.00
International equity	18	6.75
Alternative investments	7	2.65 - 7.35
Real estate	9	5.75
Cash equivalents	1	2.25
Total	<u>100 %</u>	

Single Discount Rate. A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flows used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that the Village's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on plan investments of 7.50% was applied to all periods of projected benefit payments to determine the total pension liability.

VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018

Changes in the Net Pension Liability. Changes in the net pension liability for the year ended December 31, 2017 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2016	\$ 2,204,615	\$ 1,532,841	\$ 671,774
Changes for the year:			
Service cost	129,465	-	129,465
Interest on the total pension liability	167,930	-	167,930
Differences between expected and actual experience of the total pension liability	(43,323)	-	(43,323)
Changes in assumptions	(76,301)	-	(76,301)
Contributions - employer	-	135,534	(135,534)
Contributions - employees	-	56,947	(56,947)
Net investment income	-	267,014	(267,014)
Benefit payments, including refunds of employee contributions	(60,563)	(60,563)	-
Other changes	-	(31,405)	31,405
Net changes	<u>117,208</u>	<u>367,527</u>	<u>(250,319)</u>
Balances at December 31, 2017	<u>\$ 2,321,823</u>	<u>\$ 1,900,368</u>	<u>\$ 421,455</u>

Sensitivity of the Net Pension Liability to Changes in the Single Discount Rate. The following presents the net pension liability of the Village calculated using a Single Discount Rate of 7.50%, as well as what the net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Village's net pension liability	<u>\$ 767,296</u>	<u>\$ 421,455</u>	<u>\$ 135,357</u>

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. For the year ended April 30, 2018, the Village recognized pension expense of \$163,412. At April 30, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred amounts to be recognized in pension expense in future periods:		
Differences between expected and actual experience	\$ 146,176	\$ 36,180
Changes in assumptions	1,324	69,926
Net difference between projected and actual earnings on plan investments	<u>42,962</u>	<u>118,626</u>
Total deferred amounts to be recognized in pension expense in future periods	190,462	224,732
Employer contributions made subsequent to the measurement date	<u>46,388</u>	<u>-</u>
Total deferred amounts related to pensions	<u>\$ 236,850</u>	<u>\$ 224,732</u>

\$46,388 reported as deferred outflows of resources related to pensions resulting from employer contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting period ending April 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense in years ending April 30 as follows:

2019	\$ 10,291
2020	10,289
2021	(7,771)
2022	(26,070)
2023	(19,723)
Thereafter	<u>(1,286)</u>
Total	<u>\$ (34,270)</u>

I. Tax Abatements

The Village has entered into sales tax abatement agreements with local businesses. Abatements may be granted to businesses located within or promising to relocate to the Village.

**VILLAGE OF HOMER GLEN, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2018**

For the year ended April 30, 2018, the Village abated sales taxes totaling \$618,209 under these agreements, including the following tax abatement agreements that exceeded 10% of the total amount abated:

A 50% sales tax abatement to a supermarket chain for opening a store in the Village. The abatement amounted to \$301,703.

A 60% sales tax abatement of amounts in excess of \$100,000 to a home improvement chain for opening a store in the Village. The abatement amounted to \$161,066.

An abatement of sales tax to a grocery store chain for opening a store in the Village. The abatement is the lesser of 50% of sales tax or \$135,500 per year. The abatement amounted to \$135,500.

J. 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; injury to employees; employee medical coverage; and natural disasters. In order to protect against such losses, the Village has purchased insurance from private insurance companies, and has joined an insurance cooperative, as discussed below. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage in any of the past three fiscal years. Insurance expense for the year ended April 30, 2018 was \$44,709.

Southwest Agency for Health Management - The Village is a participant in the Southwest Agency for Health Management (SWAHM), which provides medical, dental, and life insurance benefits to Village employees. SWAHM is a sub-pool of the Intergovernmental Personnel Benefit Cooperative (IPBC). The member agreement provides that SWAHM will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$75,000 per occurrence. The Village contributes on a monthly basis to meet its obligations to SWAHM and IPBC. The members have a contractual obligation to fund any deficits.

One representative from each member serves on the Board of IPBC. The president of SWAHM serves as the representative to IPBC. Each member has one vote on the Board. None of the members of SWAHM or IPBC have any direct equity interest in the agencies.

K. Subsequent Events

Management has evaluated subsequent events through October 19, 2018, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**VILLAGE OF HOMER GLEN, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION -
ILLINOIS MUNICIPAL RETIREMENT FUND**

**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST FOUR CALENDAR YEARS**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:				
Service cost	\$ 129,465	\$ 100,152	\$ 106,568	\$ 104,766
Interest on the total pension liability	167,930	137,804	123,428	100,899
Differences between expected and actual experience of the total pension liability	(43,323)	210,156	20,621	63,250
Changes of assumptions	(76,301)	(9,599)	2,644	73,983
Benefit payments, including refunds of employee contributions	<u>(60,563)</u>	<u>(57,163)</u>	<u>(53,648)</u>	<u>(27,945)</u>
Net change in total pension liability	117,208	381,350	199,613	314,953
Total pension liability at beginning of year	<u>2,204,615</u>	<u>1,823,265</u>	<u>1,623,652</u>	<u>1,308,699</u>
Total pension liability at end of year	<u>\$ 2,321,823</u>	<u>\$ 2,204,615</u>	<u>\$ 1,823,265</u>	<u>\$ 1,623,652</u>
Plan fiduciary net position:				
Contributions - employer	\$ 135,534	\$ 115,311	\$ 94,859	\$ 86,169
Contributions - employees	56,947	49,045	41,243	39,976
Net investment income	267,014	92,587	6,480	69,267
Benefit payments, including refunds of employee contributions	(60,563)	(57,163)	(53,648)	(27,945)
Other	<u>(31,405)</u>	<u>332</u>	<u>(10,981)</u>	<u>891</u>
Net change in plan fiduciary net position	367,527	200,112	77,953	168,358
Plan fiduciary net position at beginning of year	<u>1,532,841</u>	<u>1,332,729</u>	<u>1,254,776</u>	<u>1,086,418</u>
Plan fiduciary net position at end of year	<u>\$ 1,900,368</u>	<u>\$ 1,532,841</u>	<u>\$ 1,332,729</u>	<u>\$ 1,254,776</u>
Net pension liability at end of year	<u>\$ 421,455</u>	<u>\$ 671,774</u>	<u>\$ 490,536</u>	<u>\$ 368,876</u>
Plan fiduciary net position as a percentage of the total pension liability	81.85 %	69.53 %	73.10 %	77.28 %
Covered-employee payroll	\$ 1,265,495	\$ 1,089,899	\$ 916,521	\$ 904,585
Net pension liability as a percentage of covered-employee payroll	33.30 %	61.64 %	53.52 %	40.78 %

Note to schedule:

The information in the schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

**VILLAGE OF HOMER GLEN, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION -
ILLINOIS MUNICIPAL RETIREMENT FUND**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST FOUR FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 138,128	\$ 124,230	\$ 99,469	\$ 92,942
Actual contribution	<u>138,128</u>	<u>124,230</u>	<u>99,469</u>	<u>92,942</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 1,294,627	\$ 1,169,172	\$ 953,724	\$ 897,990
Actual contribution as a percentage of covered-employee payroll	10.67 %	10.63 %	10.43 %	10.35 %

Note to schedule:

The information in the schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

**SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED
IN THE CALCULATION OF THE 2017 CONTRIBUTION RATE ***

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine the 2017 Contribution Rate:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26-year closed period
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.5%
Price inflation	2.75%, approximate; no explicit price inflation assumption is used in this valuation.
Salary increases	3.75% to 14.5% including inflation
Investment rate of return	7.5%

**VILLAGE OF HOMER GLEN, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION -
ILLINOIS MUNICIPAL RETIREMENT FUND**

Retirement age Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 - 2013.

Mortality RP-2014 Blue Collar Health Annuitant Mortality Table, adjusted to match current IMRF experience. For disabled lives, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information: There were no benefit changes during the year.

* Based on valuation assumptions used in the December 31, 2015 actuarial valuation; note two year lag between valuation and rate setting.

SUPPLEMENTARY INFORMATION

CAPITAL PROJECTS FUND

VILLAGE OF HOMER GLEN, ILLINOIS
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
YEAR ENDED APRIL 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED APRIL 30, 2017

	<u>2018</u>			<u>2017</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Intergovernmental	\$ -	\$ 11,499	\$ 11,499	-
Grants	344,256	-	(344,256)	-
Investment income	<u>79,500</u>	<u>219,963</u>	<u>140,463</u>	<u>121,980</u>
Total revenues	<u>423,756</u>	<u>231,462</u>	<u>(192,294)</u>	<u>121,980</u>
Expenditures:				
General government:				
Contractual services	115,500	45,459	70,041	154,555
Other	7,000	9,500	(2,500)	7,000
Capital outlay	<u>10,350,868</u>	<u>1,077,626</u>	<u>9,273,242</u>	<u>1,934,942</u>
Total expenditures	<u>10,473,368</u>	<u>1,132,585</u>	<u>9,340,783</u>	<u>2,096,497</u>
Deficiency of revenues over expenditures	(10,049,612)	(901,123)	9,148,489	(1,974,517)
Fund balances at beginning of year (non-GAAP budgetary basis)	<u>16,393,771</u>	<u>16,393,771</u>	<u>-</u>	<u>18,368,288</u>
Fund balances at end of year (non-GAAP budgetary basis)	<u>\$ 6,344,159</u>	<u>\$ 15,492,648</u>	<u>\$ 9,148,489</u>	<u>\$ 16,393,771</u>

Explanation of differences between budgetary outflows and GAAP expenditures:

Uses / outflows of resources:

Actual amount (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 1,132,585
Difference - budget to GAAP: Accounts payable	<u>139,997</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 1,272,582</u>

DEBT SERVICE FUND

VILLAGE OF HOMER GLEN, ILLINOIS
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
YEAR ENDED APRIL 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED APRIL 30, 2017

	2018			2017
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues:				
Taxes:				
Home rule sales	\$ 2,587,654	\$ 2,645,133	\$ 57,479	\$ 2,578,206
Expenditures:				
Debt service:				
Principal	1,550,000	1,550,000	-	1,505,000
Interest	446,300	446,299	1	491,450
Total expenditures	1,996,300	1,996,299	1	1,996,450
Excess of revenues over expenditures	591,354	648,834	57,480	581,756
Fund balances at beginning of year (non-GAAP budgetary basis)	1,625,667	1,625,667	-	1,043,911
Fund balances at end of year (non-GAAP budgetary basis)	\$ 2,217,021	\$ 2,274,501	\$ 57,480	\$ 1,625,667

Explanation of differences between budgetary inflows and GAAP revenues:

Sources / inflows of resources:

Actual amount (budgetary basis) "available for appropriation" from the budgetary comparison schedule	\$ 2,645,133
Difference - budget to GAAP:	
Receivables:	
Other	7,867
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	\$ 2,653,000

AGENCY FUND

REVOLVING ESCROW FUND

**VILLAGE OF HOMER GLEN, ILLINOIS
 AGENCY FUND
 REVOLVING ESCROW FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 YEAR ENDED APRIL 30, 2018**

	<u>Balance</u> <u>May 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>April 30, 2018</u>
ASSETS				
Cash	\$ 93,182	\$ 69,581	\$ (56,406)	\$ 106,357
LIABILITIES				
Other payables	\$ 93,182	\$ 69,581	\$ (56,406)	\$ 106,357

STATISTICAL SECTION

**VILLAGE OF HOMER GLEN, ILLINOIS
STATISTICAL SECTION
YEAR ENDED APRIL 30, 2018**

This part of the comprehensive annual financial report of the Village of Homer Glen, Illinois presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health. The section is divided into five sections as follows:

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

	<u>Page</u>
Net Position by Component	42
Change in Net Position	43 - 44
Fund Balances of Governmental Funds	45
Changes in Fund Balances of Governmental Funds	46

Revenue Capacity - These schedules contain information to help the reader assess the government's most significant local revenue sources.

	<u>Page</u>
Intergovernmental Revenues by Source	47
Governmental Own-Source Revenues	48

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

	<u>Page</u>
Ratios of Outstanding Debt by Type	49
Ratios of General Bonded Debt Outstanding	50
Direct and Overlapping General Obligation Bonded Debt	51
Legal Debt Margin Information	52
Pledged-Revenue Coverage	53

Demographic and Economic Information - These schedules contain demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

	<u>Page</u>
Demographic and Economic Statistics	54
Principal Employers	55

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

	<u>Page</u>
Full-time Equivalent Village Government Employees by Function	56
Operating Indicators by Function	57
Capital Asset Statistics	58

Only schedules applicable to the Village are presented.

VILLAGE OF HOMER GLEN, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Primary Government/Governmental Activities										
Invested in Capital Assets	\$ 27,104,039	\$ 26,621,275	\$ 25,978,170	\$ 25,190,404	\$ 24,965,065	\$ 28,032,216	\$ 28,841,759	\$ 34,316,694	\$ 35,738,821	\$ 38,867,697
Restricted for:										
Public works	890,813	1,076,178	1,400,114	1,701,009	1,530,629	1,972,025	2,072,559	3,185,769	3,642,074	1,790,105
Debt service	-	-	-	-	1,374,304	1,862,896	2,300,662	2,883,132	3,499,582	4,182,116
Parks	646,640	703,502	380,008	124,014	149,895	-	-	-	-	-
Capital projects	1,150,399	715,401	-	-	455,678	95,250	1,198,874	1,758,993	3,262,259	4,022,129
Unrestricted	3,054,751	2,943,702	6,645,139	10,128,819	12,054,783	10,642,352	10,118,330	9,545,840	8,403,152	9,165,487
Total Primary Government/Governmental Activities	\$ 32,846,642	\$ 32,060,058	\$ 34,403,431	\$ 37,144,246	\$ 40,530,354	\$ 42,604,739	\$ 44,532,184	\$ 51,690,428	\$ 54,545,888	\$ 58,027,534

Data Source

Audited Financial Statements

Note: Accounting standards require that net position be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the state or federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the Village.

Note: Amounts reported for 2009 - 2014 have not been restated for the adoption of GASB 68.

VILLAGE OF HOMER GLEN, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

	2009	2010	2011	2012	2013	Fiscal Year 2014	2015	2016	2017	2018
Expenses										
Primary Government/Governmental Activities										
General government	\$ 2,547,421	\$ 2,797,616	\$ 2,260,549	\$ 2,018,581	\$ 2,307,758	\$ 2,097,100	\$ 1,825,247	\$ 1,711,327	\$ 1,951,948	\$ 1,832,358
Public safety	3,258,898	3,344,424	3,496,309	3,737,634	3,802,083	3,898,108	3,993,883	4,406,522	4,248,752	4,100,993
Building	430,456	414,521	370,340	335,560	365,585	397,648	380,089	453,510	407,404	439,061
Public works	2,110,419	3,603,112	2,122,057	2,093,884	1,964,174	2,108,873	2,828,902	2,524,366	2,342,408	2,552,230
Culture and recreation	62,463	61,427	59,026	240,245	82,000	478,005	131,478	289,177	452,786	481,534
Economic development	-	-	-	-	52,507	112,459	487,409	648,322	681,288	732,519
Planning and zoning	-	-	-	-	-	-	-	-	-	205,407
Interest and costs	-	-	-	-	489,468	333,011	307,284	290,598	270,018	240,213
Total Primary Government/Governmental Activities Expenses	\$ 8,409,657	\$ 10,221,100	\$ 8,308,281	\$ 8,425,904	\$ 9,063,575	\$ 9,425,204	\$ 9,954,292	\$ 10,323,822	\$ 10,354,604	\$ 10,584,315
Program Revenues										
Primary Government/Governmental Activities										
Charges for Services										
General government	\$ 903,089	\$ 785,615	\$ 835,381	\$ 813,893	\$ 987,661	\$ 1,000,035	\$ 1,032,549	\$ 1,052,261	\$ 1,253,335	\$ 1,348,827
Public works	1,219,817	1,303,197	1,286,867	1,139,913	1,262,797	1,258,648	1,474,824	2,224,569	1,318,270	1,380,040
Culture and recreation	-	-	-	-	-	99,124	126,249	111,877	172,855	182,461
Operating Grants and Contributions										
General government	114,767	73,342	-	-	198,858	133,458	241,237	-	-	-
Culture and recreation	-	75,000	-	-	11,656	31,179	-	-	-	-
Capital Grants and Contributions										
General government	50,000	-	78,470	12,805	-	19,750	-	-	-	-
Public works	-	-	-	-	573,405	55,650	175,000	4,260,586	-	263,900
Culture and recreation	818,460	29,770	-	-	18,160	110,900	122,719	156,232	116,012	140,322
Total Primary Government/Total Governmental Activities Program Revenues	\$ 3,106,133	\$ 2,266,924	\$ 2,200,718	\$ 1,966,611	\$ 3,052,537	\$ 2,708,744	\$ 3,172,578	\$ 7,805,525	\$ 2,860,472	\$ 3,315,550
Total Primary Government Net (Expense) Revenue	\$ (5,303,524)	\$ (7,954,176)	\$ (6,107,563)	\$ (6,459,293)	\$ (6,011,038)	\$ (6,716,460)	\$ (6,781,714)	\$ (2,518,297)	\$ (7,494,132)	\$ (7,268,765)

VILLAGE OF HOMER GLEN, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

	2009	2010	2011	2012	2013	Fiscal Year		2015	2016	2017	2018
						2014					
General Revenues and Other Changes in Net Position											
Governmental Activities											
Intergovernmental	\$ 5,550,988	\$ 6,850,402	\$ 5,724,572	\$ 6,185,910	\$ 6,472,332	\$ 6,237,392	\$ 6,765,946	\$ 7,078,271	\$ 7,541,041	\$ 7,651,371	
Homer rule sales tax	\$ -	\$ -	2,571,058	2,727,548	2,719,132	2,386,491	2,425,633	2,566,128	2,594,087	2,653,000	
Investment earnings (loss)	143,997	99,269	69,161	44,343	73,767	96,535	(280,135)	18,257	189,272	441,012	
Other income	266,146	217,921	86,145	242,307	131,915	70,427	19,996	13,885	25,192	5,028	
Total Primary Government/Governmental Activities	\$ 5,961,131	\$ 7,167,592	\$ 8,450,936	\$ 9,200,108	\$ 9,397,146	\$ 8,790,845	\$ 8,931,440	\$ 9,676,541	\$ 10,349,592	\$ 10,750,411	
Total Primary Government Change in Net Position	\$ 657,607	\$ (786,584)	\$ 2,343,373	\$ 2,740,815	\$ 3,386,108	\$ 2,074,385	\$ 2,149,726	\$ 7,158,244	\$ 2,855,460	\$ 3,481,646	

Data Source

Audited Financial Statements

Note: Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.

Note: Amounts reported for 2009 - 2014 have not been restated for the adoption of GASB 68.

VILLAGE OF HOMER GLEN, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Nondisposable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 425,747	\$ 356,966	\$ 359,478	\$ 361,814
Restricted for debt service	-	-	-	-	1,702,446	1,702,446	1,702,446	1,702,446	1,702,446	1,702,446
Committed for special events	-	-	-	-	20,885	79,001	89,871	119,162	140,232	127,539
Unreserved	2,735,836	3,459,914	-	-	-	-	-	-	-	-
Unassigned	-	-	4,726,786	5,692,440	4,040,366	2,502,034	1,969,753	2,462,737	2,485,962	2,704,938
Total General Fund	\$ 2,735,836	\$ 3,459,914	\$ 4,726,786	\$ 5,692,440	\$ 5,763,697	\$ 4,283,481	\$ 4,187,817	\$ 4,641,311	\$ 4,688,118	\$ 4,896,737
All Other Governmental Funds										
Designated for intergovernmental agreements	\$ 318,915	\$ 423,830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Designated for capital projects	-	459,958	-	-	-	-	-	-	-	-
Reserved for:										
Public works	890,813	1,076,178	-	-	-	-	-	-	-	-
Parks	646,640	703,502	-	-	-	-	-	-	-	-
Capital projects	1,150,399	715,401	-	-	-	-	-	-	-	-
Restricted for:										
Public works	-	-	1,400,114	1,701,009	1,530,629	1,972,025	2,072,559	3,185,769	3,496,001	1,790,105
Parks	-	-	380,008	124,014	149,895	-	-	-	-	-
Capital projects	-	-	-	-	18,019,036	16,859,167	15,238,198	14,111,576	13,927,449	12,810,993
Debt service	-	-	-	-	-	389,596	815,279	1,385,457	1,983,094	2,639,795
Committed to:										
Capital projects	-	-	-	-	-	500,000	528,107	483,275	388,195	357,099
Assigned to:										
Parks	-	-	641,930	709,730	1,049,214	2,394,239	2,702,428	2,638,555	3,298,104	3,952,239
Capital projects	-	-	2,626,423	4,976,649	7,736,660	5,097,520	4,540,047	3,771,634	2,165,583	2,125,942
Total All Other Governmental Funds	\$ 3,006,767	\$ 3,378,869	\$ 5,048,475	\$ 7,511,402	\$ 28,485,434	\$ 27,212,547	\$ 25,896,618	\$ 25,576,266	\$ 25,258,426	\$ 23,676,173

Data Source

Audited Financial Statements

The District began to classify fund balances in accordance with the requirements of GASB 54 with the year ended 4/30/11.

VILLAGE OF HOMER GLEN, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Intergovernmental	\$ 7,111,900	\$ 8,183,369	\$ 7,061,139	\$ 7,401,402	\$ 7,885,064	\$ 7,709,811	\$ 8,415,770	\$ 9,309,700	\$ 8,879,378	\$ 9,277,479
Home rule sales tax	-	-	2,571,058	2,727,548	2,719,132	2,386,491	2,425,633	2,566,128	2,594,087	2,653,000
Licenses, fees and permits	903,089	785,615	835,381	813,893	987,661	1,000,105	1,032,549	1,052,261	1,253,335	1,348,827
Community festival	-	-	-	-	-	99,124	126,249	111,877	172,855	182,461
Contributions	114,767	148,342	-	-	212,144	31,179	122,719	156,232	116,012	66,097
Investment income (loss)	143,997	99,269	69,161	44,343	73,767	96,535	(280,135)	18,257	189,272	441,012
Other	266,146	217,921	114,915	242,307	131,915	176,344	261,233	7,025	5,125	3,685
Total Revenues	8,539,899	9,434,516	10,651,654	11,229,493	12,009,683	11,499,589	12,104,018	13,221,480	13,210,064	13,972,561
Expenditures										
General government	2,186,160	2,261,834	1,933,252	1,829,801	1,806,883	2,000,894	1,874,410	1,952,906	1,885,499	1,709,031
Public safety	3,207,710	3,310,882	3,436,319	3,599,402	3,665,401	3,752,313	3,824,041	4,224,326	4,226,270	4,075,163
Building	430,456	414,521	370,340	333,612	344,434	372,109	381,303	394,080	405,419	430,891
Highways and streets	1,442,058	1,480,187	1,471,862	1,481,707	1,472,473	1,466,862	1,497,544	1,595,863	1,656,654	1,687,460
Culture and recreation	18,650	9,689	14,410	123	20,801	24,136	31,506	179,952	247,746	284,754
Economic development	-	-	-	-	52,507	112,459	488,564	635,760	676,835	731,647
Planning and zoning	-	-	-	-	-	-	-	-	-	197,412
Capital outlay	1,288,267	761,223	438,993	393,493	505,835	4,427,024	2,368,293	2,109,501	2,386,224	4,233,538
Bond issuance cost	-	-	-	-	302,000	-	-	-	-	-
Debt service principal	-	100,000	50,000	100,000	100,000	1,415,000	2,500,000	1,475,000	1,505,000	1,550,000
Debt service interest	-	-	-	-	-	681,895	549,950	520,950	491,450	446,299
Total Expenditures	8,573,301	8,338,336	7,715,176	7,738,138	8,270,334	14,252,692	13,515,611	13,088,338	13,481,097	15,346,195
Excess of Revenues over (under) Expenditures	(33,402)	1,096,180	2,936,478	3,491,355	3,739,349	(2,753,103)	(1,411,593)	133,142	(271,033)	(1,373,634)
Other financing Sources (Uses)										
Bond proceeds	-	-	-	-	15,640,000	-	-	-	-	-
Bond premiums	-	-	-	-	1,665,940	-	-	-	-	-
Transfers In	285,000	559,958	1,600,000	2,500,000	4,179,220	2,000,000	400,000	23,566	500,000	600,000
Transfers Out	(285,000)	(559,958)	(1,600,000)	(2,500,000)	(4,179,220)	(2,000,000)	(400,000)	(23,566)	(500,000)	(600,000)
Total Other Financing Sources (Uses)	-	-	-	-	17,305,940	-	-	-	-	-
Net Change in Fund Balances	\$ (33,402)	\$ 1,096,180	\$ 2,936,478	\$ 3,491,355	\$ 21,045,289	\$ (2,753,103)	\$ (1,411,593)	\$ 133,142	\$ (271,033)	\$ (1,373,634)
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	1.29%	21.02%	26.70%	18.17%	17.70%	17.78%

Data Source

Audited Financial Statements

VILLAGE OF HOMER GLEN, ILLINOIS

INTERGOVERNMENTAL REVENUES BY SOURCE (1)

Last Ten Fiscal Years

Fiscal Year	State Sales	State Income	State Use	Motor Fuel	Total
2018	\$ 3,377,445	\$ 2,203,875	\$ 799,580	\$ 1,270,471	\$ 7,651,371
2017	3,204,332	2,283,651	731,568	1,321,490	7,541,041
2016	3,163,667	2,477,386	678,357	758,861	7,078,271
2015	2,922,809	2,440,061	565,225	837,851	6,765,946
2014	2,753,965	2,312,971	437,110	733,346	6,237,392
2013	3,089,470	2,291,635	384,011	707,216	6,472,332
2012	3,048,610	2,052,065	353,493	731,742	6,185,910
2011	2,667,676	1,940,015	357,233	759,648	5,724,572
2010	3,963,978	1,936,492	300,677	649,255	6,850,402
2009	2,374,212	2,168,781	351,201	656,794	5,550,988

(1) Excludes Road and Bridge Collections

Data Source

Village records

VILLAGE OF HOMER GLEN, ILLINOIS

GOVERNMENTAL OWN-SOURCE REVENUES

Last Ten Fiscal Years

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Home Rules Sales Tax	\$ -	\$ -	\$ 2,571,058	\$ 2,727,548	\$ 2,719,132	\$ 2,386,491	\$ 2,425,633	\$ 2,566,128	\$ 2,594,087	\$ 2,653,000
Licenses, Permits and Fees	903,089	785,615	835,381	813,893	987,661	1,000,035	1,032,549	1,052,261	1,253,335	1,348,827

Data Source

Audited Financial Statements

VILLAGE OF HOMER GLEN, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

AS OF APRIL 30, 2018

<u>Fiscal Year</u>	<u>General Obligation Bonds (1)</u>	<u>Note Payable</u>	<u>Total Outstanding Debt</u>	<u>Percentage of Personal Income</u>	<u>Population (2)</u>	<u>Debt per Capita</u>
2018	\$ 8,788,864	\$ -	\$ 8,788,864	0.98%	24,481	\$ 359
2017	10,519,117	-	10,519,117	1.17%	24,481	430
2016	12,226,736	-	12,226,736	1.39%	24,395	501
2015	13,919,796	-	13,919,796	1.58%	24,395	571
2014	15,600,379	1,050,000	16,650,379	1.91%	24,220	687
2013	17,165,266	1,150,000	18,315,266	2.10%	24,220	756
2012	-	1,250,000	1,250,000	0.14%	24,220	52
2011	-	1,350,000	1,350,000	0.15%	24,220	56
2010	-	1,400,000	1,400,000	0.16%	25,069	56

Ten years of data is required to be presented. There was no outstanding debt prior to the year ended April 30, 2010.

- (1) Includes issuance premium
- (2) United States Census Bureau

VILLAGE OF HOMER GLEN, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

AS OF APRIL 30, 2018

<u>Fiscal Year</u>	<u>General Obligation Bonds (1)</u>	<u>Less Amount Available for Debt Service</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita (2)</u>
2018	\$ 8,788,864	\$ 2,639,795	\$ 6,149,069	0.67%	\$ 251
2017	10,519,117	1,983,094	8,536,023	0.96%	349
2016	12,226,736	1,385,457	10,841,279	1.26%	444
2015	13,919,796	815,279	13,104,517	1.56%	537
2014	15,600,379	2,092,042	13,508,337	1.58%	558
2013	17,165,266	1,702,446	15,462,820	1.74%	638

Ten years of data is required to be presented. There was no general bonded debt outstanding prior to the year ended April 30, 2013.

(1) Includes issuance premium.

(2) Population data can be found on the Schedule of Demographic and Economic Statistics.

VILLAGE OF HOMER GLEN, ILLINOIS
 DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
 AS OF APRIL 30, 2018

	<u>Debt</u> <u>Outstanding</u>	<u>Percent Applicable</u> <u>to Village</u>	<u>Total Direct and</u> <u>Overlapping</u> <u>Debt Outstanding</u>
<u>Governmental Unit (S):</u>			
Will County (1)	\$ 150,280,000	4.77%	\$ 7,166,396
Will County Forest Preserve District	163,577,359	4.77%	7,800,507
Cook County(2)	3,369,965,000	0.00%	3,431
Cook County Forest Preserve District	94,885,000	0.00%	97
Metropolitan Water Reclamation District	2,360,535,090	0.00%	2,453
Homer Township	4,620,000	68.25%	3,152,980
Homer Township Public Library District	3,000,000	68.25%	2,047,389
New Lenox Township	1,380,000	0.24%	3,325
New Lenox Public Library District	6,970,000	0.27%	18,528
Mokena Community Park District	2,640,000	0.01%	312
New Lenox Community Park District	2,231,000	0.27%	5,934
Orland Fire Protection District	5,025,000	0.01%	289
Will Co. Community Cons. School District No. 33C	14,340,000	72.27%	10,363,816
Will Co. School District No. 92	5,490,000	23.88%	1,310,839
Will Co. School District No. 122(3)	129,720,579	0.29%	376,478
Cook Co. School District No. 135	14,185,000	0.01%	939
Will Co. High School District No. 205	13,536,087	38.63%	5,228,351
Will Co. High School District No. 210	204,683,548	0.09%	176,785
Cook Co. Consolidated High School District No. 230	66,490,000	0.00%	1,911
Community College District No. 524	80,600,000	0.00%	1,089
Community College District No. 525	160,710,000	4.80%	7,710,608
Subtotal, overlapping debt			\$ 45,372,457
Village of Homer Glen Direct Debt (4)	8,788,864	100.00%	8,788,864
Total Direct and Overlapping Debt			<u>\$ 54,161,321</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Village of Homer Glen. This process recognizes that, when considering the government's ability to issue and repay long term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

- (1) All of the outstanding bond issues of Will County are Alternate Bonds and are expected to be paid from sources other than property taxes.
- (2) Does not include Chicago Public Building Commission Bonds.
- (3) Includes debt certificates and lease certificates.
- (4) Includes issuance premium.
- (5) Information presented for overlapping debt is as of April 30, 2013, the most recent information available.

VILLAGE OF HOMER GLEN, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

AS OF APRIL 30, 2018

	2018	2017	2016	2015	2014	2013	2012	2011	2010
Equalized Assessed Valuation of Property	\$ 923,833,777	\$ 891,225,964	\$ 859,261,426	\$ 842,508,020	\$ 853,823,972	\$ 888,021,990	\$ 960,017,432	\$ 1,013,409,218	\$ 1,037,141,943
Legal Applicable Rate	8.625%	8.625%	8.625%	8.625%	8.625%	8.625%	8.625%	8.625%	8.625%
Legal Applicable Limit	79,680,663	76,868,239	74,111,298	72,666,317	73,642,318	76,591,897	82,801,504	87,406,545	89,453,493
General obligation debt Note payable	(8,345,000) 0	(9,895,000) 0	(11,400,000) 0	(12,875,000) 0	(14,325,000) (1,050,000)	(15,640,000) (1,150,000)	0 (1,250,000)	0 (1,350,000)	0 (1,400,000)
Legal debt margin	\$ 71,335,663	\$ 66,973,239	\$ 62,711,298	\$ 59,791,317	\$ 58,267,318	\$ 59,801,897	\$ 81,551,504	\$ 86,056,545	\$ 88,053,493
Total net debt applicable to the limit as a percentage of debt limit	10.47%	12.87%	15.38%	17.72%	20.88%	21.92%	1.51%	1.54%	1.57%

Source: Equalized assessed valuation of taxable property from Will County, Illinois Tax Extension Department

Debt limit ceiling is established by the Illinois General Assembly and promulgated in the current edition of the Illinois Compiled Statutes.

VILLAGE OF HOMER GLEN, ILLINOIS

PLEDGED - REVENUE COVERAGE

AS OF APRIL 30, 2018

General Obligation (Home Rule Sales Tax) Bonds

<u>Fiscal Year</u>	<u>Home Rule Sales Tax</u>	<u>Debt Service</u>		<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	
2018	\$ 2,653,000	\$ 1,550,000	\$ 446,299	1.3
2017	2,594,087	1,505,000	491,450	1.3
2016	2,566,128	1,475,000	520,950	1.3
2015	2,425,633	1,450,000	549,950	1.2
2014	2,386,491	1,315,000	681,895	1.2
2013 (1)	1,702,446	-	-	0.0

(1) This was the year of issuance. Accordingly, no principal payments and interest were scheduled. Further, there was not any debt outstanding in the previous four years that was secured by pledged revenue.

VILLAGE OF HOMER GLEN, ILLINOIS

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2018	24,481	\$ 897,473,460	\$ 36,660	44.2	Not available	2.90%
2017	24,481	897,473,460	36,660	44.2	Not available	3.50%
2016	24,395	878,610,320	36,016	44.2	Not available	5.40%
2015	24,395	878,610,320	36,016	44.2	Not available	4.80%
2014	24,220	872,307,520	36,016	39.0	Not available	6.60%
2013	24,220	872,307,520	36,016	39.0	Not available	7.70%
2012	24,220	872,307,520	36,016	39.0	Not available	8.30%
2011	24,220	872,307,520	36,016	39.0	Not available	9.20%
2010	25,069	902,885,104	36,016	39.0	Not available	10.30%
2009	25,069	Not available	Not available	39.0	Not available	7.80%

Data Source

U.S. Census Bureau

VILLAGE OF HOMER GLEN, ILLINOIS

PRINCIPAL EMPLOYERS

AS OF APRIL 30, 2018

<u>Employer</u>	<u>Business</u>	<u>Employees</u>	<u>Percentage of Total Village Employment</u>
School District 33C	Education	437	NA
Meijer	Retail	300	NA
Jewel-Osco	Retail	158	NA
Menards	Retail	146	NA
The Home Depot	Retail	140	NA
School District 92	Education	132	NA
Victorian Village	Senior Living Community	132	NA
Marian Village	Senior Living Community	114	NA
Old Oak Country Club	Golf Course	80	NA

Source: Village records

Information for 2008 is not available.

NA - Not Available

VILLAGE OF HOMER GLEN

FULL-TIME EQUIVALENT VILLAGE GOVERNMENT EMPLOYEES BY FUNCTION

Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government										
General	11.0	9.0	7.0	7.0	8.0	8.0	8.0	11.5	13.0	12.5
Economic development	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	1.0
Building department	5.0	5.0	3.0	3.0	3.0	3.0	3.0	4.0	4.5	5.0
Public safety	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public works	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Culture and recreation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	4.0	5.0
Total	16.0	14.0	10.0	10.0	12.0	12.0	12.0	18.5	22.5	23.5

Data Source

Village Finance Department

VILLAGE OF HOMER GLEN, ILLINOIS

OPERATING INDICATORS BY FUNCTION

Last Eight Fiscal Years

Function/Program	Fiscal Year							
	2011	2012	2013	2014	2015	2016	2017	2018
General government								
Building department								
Commercial permits	22	37	31	31	40	38	30	33
Residential permits	17	10	20	28	41	59	65	56
Other building permits	837	1,158	1,041	863	929	1,040	1,142	1,194
Public safety								
Police (per Will County Sheriff)								
Parking violations	182	160	456	447	362	197	45	12
Traffic violations	2,807	2,200	2,698	2,609	2,606	3,458	4,547	2,507
Public works								
Streets (per Homer Township Road & Bridge District)								
Street resurfacing (miles)	5.37	4.66	3.64	3.90	5.51	4.83	4.82	5.31
Potholes repaired	40	NA						

Data source: The Village subcontractors for the Police and Street Services' records.

Ten years of data is required to be presented. Only eight years of data is currently available.

NA - Information not available

VILLAGE OF HOMER GLEN, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government										
General	\$ 59,282	\$ 76,674	\$ 123,866	\$ 131,188	\$ 138,055	\$ 3,487,280	\$ 3,487,280	\$ 4,217,075	\$ 5,678,354	\$ 5,706,453
Building department	71,142	71,142	71,142	71,142	71,142	71,142	71,142	71,142	97,728	116,388
Public safety	182,267	190,819	209,103	217,653	241,552	241,552	241,552	273,829	178,988	214,292
Public works	32,686,234	32,985,657	33,316,251	33,419,886	34,245,909	35,175,405	37,226,161	41,150,191	41,444,664	44,946,172
Culture and recreation	2,147,137	2,448,428	2,547,409	2,800,423	2,895,784	2,895,784	2,936,702	4,614,543	4,998,468	5,626,450
	<u>\$ 35,146,062</u>	<u>\$ 35,772,720</u>	<u>\$ 36,267,771</u>	<u>\$ 36,640,292</u>	<u>\$ 37,592,442</u>	<u>\$ 41,871,163</u>	<u>\$ 43,962,837</u>	<u>\$ 50,326,780</u>	<u>\$ 52,398,202</u>	<u>\$ 56,609,755</u>

Data Source

Village Finance Department