

Village of Bolingbrook, Illinois

Annual Financial Report

April 30, 2015

VILLAGE OF BOLINGBROOK, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

The Honorable Mayor
Members of the Board of Trustees
Village of Bolingbrook, Illinois
Bolingbrook, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Bolingbrook, Illinois, as of and for the year ended April 30, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Bolingbrook, Illinois, as of April 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

In disclosed in Note 1 to the financial statements, in 2015 the Village adopted the Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans – an Amendment of GASB Statement No. 25*. Our opinions are not modified with respect to this matter.

The 2014 financial statements, before they were restated for the matters discussed in Note 14, were audited by other auditors and their report thereon, dated January 22, 2015, expressed an unmodified opinion. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information for the General Fund and major Special Revenue funds (pages 69-71), and pension information for the Village's defined benefit pension plans (pages 72-87) 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 response 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing basic financial statements in an appropriate

The Honorable Mayor
Members of the Board of Trustees
Village of Bolingbrook, Illinois
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operational, economic, or historical context. Our unmodified opinion on the basic financial statements is not affected by this matter.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Bolingbrook, Illinois' basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

BKD, LLP

Oakbrook Terrace, Illinois
December 22, 2015

BASIC FINANCIAL STATEMENTS

VILLAGE OF BOLINGBROOK, ILLINOIS

Statement of Net Position

April 30, 2015

	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash, Cash Equivalents and Investments	\$ 64,030,608	16,132,577	80,163,185
Property Tax Receivable	17,759,673		17,759,673
Other Taxes Receivable	11,288,976		11,288,976
Accounts Receivable, Net of Allowances	2,883,733	330,412	3,214,145
Accrued Interest Receivable	20,149	26,794	46,943
Intergovernmental Receivable	353,568		353,568
Internal Balances	13,017,996	(13,017,996)	
Prepaid Items	701,741	67,403	769,144
Inventories	31,945	351,229	383,174
Land Held for Resale		8,682,757	8,682,757
Total Current Assets	110,088,389	12,573,176	122,661,565
Noncurrent Assets			
Other Assets		6,900	6,900
Capital Assets			
Capital Assets Not Being Depreciated	189,380,141	65,579,321	254,959,462
Capital Assets Being Depreciated, Net	124,241,852	117,497,562	241,739,414
Total Noncurrent Assets	313,621,993	183,083,783	496,705,776
Total Assets	423,710,382	195,656,959	619,367,341
Deferred Outflows of Resources			
Unamortized Loss on Refunding	5,052,454		5,052,454

See Notes to Financial Statements

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current Liabilities			
Accounts Payable	\$ 8,115,524	478,971	8,594,495
Accrued Payroll	558,013	153,591	711,604
Claims Payable	553,181		553,181
Deposits Payable	2,520,770	1,002,581	3,523,351
Interest Payable	1,346,308		1,346,308
Other Payables	276,188	33,667	309,855
Due to Pension Funds	3,788,232		3,788,232
Deferred Revenue	216,929	198,428	415,357
Other Liabilities	301,237	109,882	411,119
Long-Term Obligations, Due Within One Year			
Compensated Absences	2,606,233	126,446	2,732,679
Property Tax Refund Payable	209,247		209,247
Bonds Payable	3,430,000		3,430,000
Capital Lease Payable		155,167	155,167
Total Current Liabilities	23,921,862	2,258,733	26,180,595
Noncurrent Liabilities			
Compensated Absences	2,606,967	66,315	2,673,282
Bonds Payable	221,056,277		221,056,277
Capital Lease Payable		152,373	152,373
Net Retirement Obligations	19,574,142		19,574,142
Total Noncurrent Liabilities	243,237,386	218,688	243,456,074
Total Liabilities	267,159,248	2,477,421	269,636,669
Deferred Inflows of Resources			
Deferred Property Taxes	10,074,008		10,074,008
Net Position			
Net Investment in Capital Assets	111,601,805	182,769,343	294,371,148
Restricted for Streets	8,120,901		8,120,901
Restricted for Public Safety	779,534		779,534
Restricted for Debt Service	19,446,813		19,446,813
Restricted for Refuse	697,958		697,958
Unrestricted	10,882,569	10,410,195	21,292,764
Total Net Position	\$ 151,529,580	193,179,538	344,709,118

VILLAGE OF BOLINGBROOK, ILLINOIS

Statement of Activities

Year Ended April 30, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$ 9,149,235	4,185,185	12,220	630,129
Public Safety	41,512,359	4,021,434	69,056	
Public Works	15,682,117	2,110,401	2,621,167	751,923
Sanitation	5,368,539			
Culture and Recreation	3,704,358			
Economic Development	5,670,681			
Interest on Long-Term Debt	10,411,113			
Total Governmental Activities	91,498,402	10,317,020	2,702,443	1,382,052
Business-Type Activities				
Waterworks and Sewerage	7,039,949	4,566,870		
Golf Course	8,427,706	8,038,825		
Americana Estates	349,340	286,540		
Airport	480,770	323,535		530,237
Total Business-Type Activities	16,297,765	13,215,770	-	530,237
Total Primary Government	\$ 107,796,167	23,532,790	2,702,443	1,912,289

General Revenues

Taxes

Property Taxes Levied for General Purpose

Property Taxes Levied for Debt Service

Property Taxes Levied for TIF

Telecommunication

Other Taxes

Intergovernmental

Sales Tax

Income Tax

Unrestricted Investment Earnings

Miscellaneous Revenues

Gain on Sale of Capital Assets

Total General Revenues

Change in Net Position

Net Position

May 1, as Originally Reported

Restatement

May 1, as Restated

April 30

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(4,321,701)		(4,321,701)
(37,421,869)		(37,421,869)
(10,198,626)		(10,198,626)
(5,368,539)		(5,368,539)
(3,704,358)		(3,704,358)
(5,670,681)		(5,670,681)
(10,411,113)		(10,411,113)
(77,096,887)	-	(77,096,887)
	(2,473,079)	(2,473,079)
	(388,881)	(388,881)
	(62,800)	(62,800)
	373,002	373,002
-	(2,551,758)	(2,551,758)
(77,096,887)	(2,551,758)	(79,648,645)
10,049,985		10,049,985
7,468,028		7,468,028
81,481		81,481
2,044,819		2,044,819
13,353,088		13,353,088
31,140,163		31,140,163
8,901,998		8,901,998
270,161	34,378	304,539
132,842	2,525	135,367
38,052		38,052
73,480,617	36,903	73,517,520
(3,616,270)	(2,514,855)	(6,131,125)
154,130,213	195,694,393	349,824,606
1,015,637		1,015,637
155,145,850	195,694,393	350,840,243
151,529,580	193,179,538	344,709,118

VILLAGE OF BOLINGBROOK, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2015

	General Fund	Refuse and Recycling Fund	2007 Bond Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash, Cash Equivalents and Investments	\$ 14,340,441	6,212,281	8,725,458	8,712,164	26,040,264	64,030,608
Property Tax Receivable	6,031,868	4,066,367		7,649,029	12,409	17,759,673
Other Taxes Receivable	11,288,976					11,288,976
Accounts Receivable, Net of Allowances	1,876,493				1,004,501	2,880,994
Accrued Interest Receivable	13,796				6,353	20,149
Intergovernmental Receivable			22,720		330,848	353,568
Due from Other Funds	6,585,105					6,585,105
Advances to Other Funds	26,111,740		6,757,073	2,289,221	592,299	35,750,333
Prepaid Items	32,500		669,241			701,741
Inventories	31,945					31,945
Total Assets	\$ 66,312,864	10,278,648	16,174,492	18,650,414	27,986,674	139,403,092
Liabilities						
Accounts Payable	\$ 5,688,901	444,300	220,298	2,399	879,789	7,235,687
Accrued Payroll	544,944				13,069	558,013
Deposits Payable	2,520,770					2,520,770
Due to Other Funds	421,743	6,576,355		8,750		7,006,848
Due to Pension Funds	1,527,956	983,525		1,276,751		3,788,232
Deferred Revenue	216,929					216,929
Other Payables	131,413				144,775	276,188
Other Liabilities					301,237	301,237
Advances from Other Funds	7,034,383				5,106,635	12,141,018
Total Liabilities	18,087,039	8,004,180	220,298	1,287,900	6,445,505	34,044,922
Deferred Inflows of Resources						
Unavailable Property Taxes	4,636,627	1,576,510		2,965,490	895,381	10,074,008
Unavailable Other Taxes	4,069,223					4,069,223
Total Deferred Inflows of Resources	8,705,850	1,576,510	-	2,965,490	895,381	14,143,231
Fund Balances						
Nonspendable						
Advances	26,111,740					26,111,740
Prepays	32,500		669,241			701,741
Inventories	31,945					31,945
Restricted for						
Streets					8,120,901	8,120,901
Public Safety					779,534	779,534
Debt Service				14,397,024	5,049,789	19,446,813
Capital Projects			15,284,953		8,471,245	23,756,198
Refuse		697,958				697,958
Unassigned	13,343,790				(1,775,681)	11,568,109
Total Fund Balances	39,519,975	697,958	15,954,194	14,397,024	20,645,788	91,214,939
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 66,312,864	10,278,648	16,174,492	18,650,414	27,986,674	139,403,092

VILLAGE OF BOLINGBROOK, ILLINOIS

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position

April 30, 2015

Total Fund Balances - Governmental Funds \$ 91,214,939

Amounts reported for governmental activities in the Statement of
Net Position are different because:

Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds.

Capital Assets, at Cost	420,807,563
Accumulated Depreciation	<u>(107,185,570)</u>

Net Capital Assets 313,621,993

Some liabilities reported in the Statement of Net Position do not require
the use of current financial resources and, therefore, are not reported
as a liability in governmental funds. These liabilities consist of:

General Obligation Bonds Payable	(224,486,277)
Net Pension and OPEB Obligations	(19,574,142)
Compensated Absences	(5,213,200)
Property Tax Refund Payable	(209,247)
Interest Payable	<u>(1,346,308)</u>

Total Long-Term Liabilities (250,829,174)

Losses on refunding are not recognized in the governmental funds,
but are capitalized and amortized over the life of the refunded bond in
the Statement of Net Position.

5,052,454

Some of the tax revenues due from the State will be collected after year end but
are not available soon enough to pay for the current period's expenditures
and, therefore, are deferred in the funds.

4,069,223

Claims liability is not due and payable in the current period and, therefore, is
not reported in governmental funds.

(229,288)

Internal service funds are used to manage the costs of certain activities,
such as insurance, to individual funds. The assets and liabilities of the
internal service funds are included in the governmental activities in the
Statement of Net Position.

(11,370,567)

Net Position of Governmental Activities

\$ 151,529,580

VILLAGE OF BOLINGBROOK, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds

Year Ended April 30, 2015

	General Fund	Refuse and Recycling Fund	2007 Bond Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 18,518,644	4,633,063		7,468,028	105,512	30,725,247
Licenses and Permits	2,384,970					2,384,970
Charges for Services	5,924,073				207,652	6,131,725
Fines and Forfeitures	1,249,039					1,249,039
Contributions	1,294,477					1,294,477
Intergovernmental	42,934,513				2,501,144	45,435,657
Interest	82,605	414	143,416	1,190	42,536	270,161
Miscellaneous	118,199					118,199
Total Revenues	72,506,520	4,633,477	143,416	7,469,218	2,856,844	87,609,475
Expenditures						
Current						
General Government	9,078,682					9,078,682
Public Safety	36,901,473				546,646	37,448,119
Highways and Streets	7,475,119				2,162,426	9,637,545
Sanitation		5,319,429				5,319,429
Culture and Recreation	3,666,593					3,666,593
Economic Development	5,670,681					5,670,681
Capital Outlay			967,953		790,389	1,758,342
Debt Service						
Principal				3,085,000	195,000	3,280,000
Interest				4,482,084	11,701	4,493,785
Issuance Costs				799,668		799,668
Total Expenditures	62,792,548	5,319,429	967,953	8,366,752	3,706,162	81,152,844
Excess (Deficiency) of Revenues over Expenditures	9,713,972	(685,952)	(824,537)	(897,534)	(849,318)	6,456,631
Other Financing Sources (Uses)						
Refunding Bonds Issued				57,045,000		57,045,000
Payment to Refunded Bond						
Escrow Agent				(58,248,987)		(58,248,987)
Bond Premium				2,003,655		2,003,655
Proceeds from Sale of Assets	38,429					38,429
Transfers In					142,000	142,000
Transfers Out	(142,000)					(142,000)
Total Other Financing Sources (Uses)	(103,571)	-	-	799,668	142,000	838,097
Net Change in Fund Balances	9,610,401	(685,952)	(824,537)	(97,866)	(707,318)	7,294,728
Fund Balances						
May 1	29,909,574	1,383,910	16,778,731	14,494,890	21,353,106	83,920,211
April 30	\$ 39,519,975	697,958	15,954,194	14,397,024	20,645,788	91,214,939

VILLAGE OF BOLINGBROOK, ILLINOISReconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended April 30, 2015

Net Change in Fund Balances - Total Governmental Funds		\$ 7,294,728
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures while governmental activities capitalize them and report depreciation expense to allocate those expenditures over the life of the assets.		
Capital Outlay	3,151,568	
Depreciation	(8,931,447)	
Depreciation in Excess of Capital Outlay		(5,779,879)
Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		3,280,000
The net effect of disposals of capital assets is not recognized in the governmental fund statements.		(377)
The reduction of a long-term liability in the Statement of Net Position is reported as an expenditure in the governmental funds.		209,246
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		234,605
The issuance of long-term debt provides current financial resources to governmental funds, however has no effect on net position.		(57,045,000)
The payment to the refunded bond escrow agent is reported as an other financing use in the governmental funds.		58,248,987
The premium on bonds issued is reported as an other financing source in governmental funds, but is amortized over the life of the bond in the Statement of Activities.		(2,003,655)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not recorded in the governmental funds.		
Decrease in Compensated Absences	529,732	
Amortization of Discounts	(15,215)	
Amortization of Bond Premiums	180,865	
Amortization of Deferred Loss on Refunding	(291,582)	
Increase in Net Pension Obligation	(439,439)	
Increase in Other Post-Employment Benefits Obligation	(1,804,609)	
Decrease in Accrued Interest on Debt	148,704	
		(1,691,544)
Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the Internal Service Funds is reported with governmental activities.		(1,201,102)
The decrease in the claims payable liability is not shown as an expenditure in the governmental funds.		(21,847)
The accretion of interest on long-term debt is not reported in the governmental funds; however, it results in an increase in debt principal payable in the Statement of Net Position.		(5,140,432)
Change in Net Position of Governmental Activities		<u>\$ (3,616,270)</u>

See Notes to Financial Statements

VILLAGE OF BOLINGBROOK, ILLINOIS

Statement of Net Position - Proprietary Funds

April 30, 2015

	Major Enterprise Funds			Nonmajor Enterprise Fund	Total	Internal Service Fund
	Waterworks and Sewerage Fund	Golf Course Fund	Airport Fund	Americana Estates Fund		
Assets						
Current Assets						
Cash and Cash Equivalents	\$ 11,778,859	409,531	369,215	3,574,972	16,132,577	
Accounts Receivable, Net of Allowances	142,492	156,683	31,237		330,412	2,739
Accrued Interest Receivable	26,794				26,794	
Due from Other Funds	200				200	421,543
Prepaid Expenses		67,403			67,403	
Inventories		351,229			351,229	
Land Held for Resale				8,682,757	8,682,757	
Total Current Assets	11,948,345	984,846	400,452	12,257,729	25,591,372	424,282
Noncurrent Assets						
Other Assets		6,900			6,900	
Capital Assets						
Capital Assets Not Being Depreciated	35,962,812	18,826,330	10,536,960	253,219	65,579,321	
Capital Assets, Net of Accumulated Depreciation	92,102,460	20,944,847	4,138,605	311,650	117,497,562	
Total Noncurrent Assets	128,065,272	39,778,077	14,675,565	564,869	183,083,783	-
Total Assets	140,013,617	40,762,923	15,076,017	12,822,598	208,675,155	424,282

See Notes to Financial Statements

VILLAGE OF BOLINGBROOK, ILLINOIS

Statement of Net Position - Proprietary Funds (Cont.)

April 30, 2015

	Major Enterprise Funds			Nonmajor Enterprise Fund	Total	Internal Service Fund
	Waterworks and Sewerage Fund	Golf Course Fund	Airport Fund	Americana Estates Fund		
Liabilities						
Current Liabilities						
Accounts Payable	217,929	260,789	253		478,971	879,837
Accrued Payroll	52,649	100,942			153,591	
Deposits Payable		992,081	10,500		1,002,581	
Deferred Revenue		198,428			198,428	
Advances from Other Funds	5,336,663	4,280,696	3,362,137	38,700	13,018,196	10,591,119
Other Payables	375	33,292			33,667	
Claims Payable						323,893
Other Liabilities		109,882			109,882	
Long-Term Obligations, Due Within One Year						
Compensated Absences	126,446				126,446	
Capital Leases Payable		155,167			155,167	
Total Current Liabilities	5,734,062	6,131,277	3,372,890	38,700	15,276,929	11,794,849
Noncurrent Liabilities						
Compensated Absences	66,315				66,315	
Capital Leases Payable		152,373			152,373	
Total Noncurrent Liabilities	66,315	152,373	-	-	218,688	-
Total Liabilities	5,800,377	6,283,650	3,372,890	38,700	15,495,617	11,794,849
Net Position						
Net Investment in Capital Assets	128,065,272	39,463,637	14,675,565	564,869	182,769,343	
Unrestricted	6,147,968	(4,984,364)	(2,972,438)	12,219,029	10,410,195	(11,370,567)
Total Net Position	\$ 134,213,240	34,479,273	11,703,127	12,783,898	193,179,538	(11,370,567)

VILLAGE OF BOLINGBROOK, ILLINOIS

Statement of Revenues, Expenses and Changes in
Net Position - Proprietary Funds

Year Ended April 30, 2015

	Major Enterprise Funds			Nonmajor Enterprise Fund	Total	Internal Service Fund
	Waterworks and Sewerage Fund	Golf Course Fund	Airport Fund	Americana Estates Fund		
Operating Revenues						
Charges for Services	\$ 4,566,870	8,038,825	323,535		12,929,230	10,716,200
Sale of Land				286,540	286,540	
Total Revenues	\$ 4,566,870	8,038,825	323,535	286,540	13,215,770	10,716,200
Operating Expenses, Excluding Depreciation						
Administrative Division	969,527				969,527	
Sewer Division	1,061,419				1,061,419	
Reclamation Division	1,878,355				1,878,355	
Golf Course		7,940,331			7,940,331	
Airport			319,593		319,593	
Americana Estates				322,240	322,240	
Internal Service Expenses						11,919,267
Total Operating Expenses, Excluding Depreciation and Amortization	3,909,301	7,940,331	319,593	322,240	12,491,465	11,919,267
Operating Income (Loss) before Depreciation	657,569	98,494	3,942	(35,700)	724,305	(1,203,067)
Depreciation	3,130,648	476,132	161,177	27,100	3,795,057	
Operating Loss	(2,473,079)	(377,638)	(157,235)	(62,800)	(3,070,752)	(1,203,067)
Nonoperating Revenues (Expenses)						
Interest Income	33,225	748	83	322	34,378	1,965
Interest Expense		(11,243)			(11,243)	
Miscellaneous			24	2,501	2,525	
	33,225	(10,495)	107	2,823	25,660	1,965
Loss before Contributions	(2,439,854)	(388,133)	(157,128)	(59,977)	(3,045,092)	(1,201,102)
Capital Contributions			530,237		530,237	
Changes in Net Position	(2,439,854)	(388,133)	373,109	(59,977)	(2,514,855)	(1,201,102)
Net Position						
May 1	136,653,094	34,867,406	11,330,018	12,843,875	195,694,393	(10,169,465)
April 30	\$ 134,213,240	34,479,273	11,703,127	12,783,898	193,179,538	(11,370,567)

VILLAGE OF BOLINGBROOK, ILLINOIS

Statement of Cash Flows - Proprietary Funds

Year Ended April 30, 2015

	Major Enterprise Funds			Nonmajor Enterprise Fund	Total	Internal Service Fund
	Waterworks and Sewerage Fund	Golf Course Fund	Airport Fund	Americana Estates Fund		
Cash Flows from Operating Activities						
Receipts from Customers and Others	\$ 4,577,443	7,975,362	317,837	286,540	13,157,182	10,716,312
Other Operating Receipts			24	2,501	2,525	
Payments to Suppliers	(2,034,056)	(4,027,351)	(319,661)	(35,700)	(6,416,768)	(12,749,542)
Payments to Employees	(1,820,527)	(3,935,368)			(5,755,895)	
	722,860	12,643	(1,800)	253,341	987,044	(2,033,230)
Cash Flows from Non-Capital Financing Activities						
Interfund Borrowings, Net	2,766,103	(23,470)	14,942	38,700	2,796,275	2,031,265
Cash Flows from Capital and Related Financing Activities						
Interest Payment on Debt		(11,243)			(11,243)	
Principal Payments on Capital Lease (Purchases) Sale of Capital Assets	(241,695)	(26,755)			(268,450)	
	(241,695)	(182,095)	-	-	(423,790)	-
Cash Flows from Investing Activities						
Interest	43,973	748	83	322	45,126	1,965
Net Increase (Decrease) in Cash and Cash Equivalents	3,291,241	(192,174)	13,225	292,363	3,404,655	
Cash and Cash Equivalents						
May 1	8,487,618	601,705	355,990	3,282,609	12,727,922	
April 30	\$ 11,778,859	409,531	369,215	3,574,972	16,132,577	-

VILLAGE OF BOLINGBROOK, ILLINOIS

Statement of Cash Flows - Proprietary Funds (Cont.)

Year Ended April 30, 2015

	Major Enterprise Funds			Nonmajor Enterprise Fund	Total	Internal Service Fund
	Waterworks and Sewerage Fund	Golf Course Fund	Airport Fund	Americana Estates Fund		
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities						
Operating Loss	\$ (2,473,079)	(377,638)	(157,235)	(62,800)	(3,070,752)	(1,203,067)
Adjustment to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities						
Depreciation and Amortization	3,130,648	476,132	161,177	27,100	3,795,057	
Other Operating Receipts			24	2,501	2,525	
Changes in Assets and Liabilities						
(Increase) Decrease in						
Receivables, Net	10,573	(28,776)	(5,698)		(23,901)	112
Decrease in Land Held for Resale				286,540	286,540	
Increase in Inventory		(18,875)			(18,875)	
Decrease in Prepaid and Other Assets		25,297			25,297	
Decrease in Deferred Revenue		(44,947)			(44,947)	
Increase (Decrease) in Payables and Accruals	54,718	(30,310)	(68)		24,340	(830,275)
Increase in Deposits Payable		11,760			11,760	
Net Cash Provided by (Used in) Operating Activities	\$ 722,860	12,643	(1,800)	253,341	987,044	(2,033,230)

Non-cash Capital Financing Activity

The Airport Fund received capital assets from governmental activities for \$530,237.

VILLAGE OF BOLINGBROOK, ILLINOIS

Statement of Fiduciary Net Position - Pension Trust and Agency Funds

April 30, 2015

	Pension Trust Funds	<u>Agency Fund</u> Weber Rd TIF
Assets		
Cash and Cash Equivalents	\$ 2,221,783	864,376
Investments		
Certificate of Deposit		
U.S. Treasury Securities	14,340,302	
U.S. Agency Securities	21,873,105	
Municipal Bonds	4,137,919	
Corporate Bonds	7,898,086	
Mutual Funds	27,565,143	
Common and Preferred Stock	20,574,160	
Accrued Interest Receivable	420,665	
Due from Village	3,788,232	
	<hr/>	
Total Assets	102,819,395	864,376
Liabilities		
Other Payables	38,597	864,376
	<hr/>	
Net Position		
Restricted for Pensions	\$ 102,780,798	-
	<hr/> <hr/>	

See Notes to Financial Statements

VILLAGE OF BOLINGBROOK, ILLINOIS

Statement of Changes in Fiduciary Net Position - Pension Trust Funds

Year Ended April 30, 2015

	<u>Pension Trust Funds</u>
Additions	
Contributions	
Employer	\$ 5,524,483
Plan Members	1,915,847
	<u>7,440,330</u>
Investment Earnings	
Investment Income	5,838,781
Investment Fees	(458,648)
	<u>5,380,133</u>
Total Additions	<u>12,820,463</u>
Deductions	
Benefits and Refunds	6,904,707
Administration	138,485
	<u>7,043,192</u>
Total Deductions	<u>7,043,192</u>
Net Increase in Net Position	5,777,271
Net Position Restricted for Pensions	
May 1	<u>97,003,527</u>
April 30	<u>\$ 102,780,798</u>

See Notes to Financial Statements

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

1. Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

The Village's basic financial statements include all organizations, activities, functions, funds and component units for which the Village is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's Board, and either: (1) the Village's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village.

Blended within the reporting entity are:

Police and Firefighters' Pension Employees Retirement System – The Village's police and firefighter employees participate in the Police Pension Employees Retirement System (PPERS) and the Firefighters' Pension Employees Retirement System (FPERS). PPERS functions for the benefit of employees and is governed by a five-member pension Board. Two members are appointed by the Mayor; two are elected from the active members and one from the retired members. FPERS is governed by a nine-member Board. The following comprise the FPERS Board: the Mayor; Village Clerk; Village Attorney; Fire Chief; Village Treasurer and four elected officers (three active members and one retired member). The Village, PPERS and FPERS are obligated to fund all PPERS and FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide Statement of Net Position and Statement of Activities report the overall financial activity of the Village. Eliminations have been made to minimize the double-counting of internal activities of the Village. Interfund services provided and used are not eliminated in the process of consolidation. The financial activities of the Village consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Net Position presents the Village's non-fiduciary assets and liabilities with the differences reported in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position results when constraints placed on net position's use is either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position that does not meet the criteria of the two preceding categories.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)
 - B. Government-wide and Fund Financial Statements (Cont.)

Government-wide Financial Statements (Cont.)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e. general government, public safety, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees) and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary Funds are excluded from the government-wide financial statements.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary (pension) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the Village's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The Village has the following major governmental funds.

The Village administers the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

Refuse and Recycling Fund – This fund is a special revenue fund that accounts for the collection of property taxes and expenditures for waste collection services.

2007 Bond Fund – This fund is a capital projects fund that accounts for the receipt and expenditure of the portion of the Series 2007 bond proceeds designated for capital improvements.

Debt Service Fund – This fund is a debt service fund used to account for the accumulation of resources for, and the payment of principal, interest and related costs of general obligation bonds.

The Village administers the following major proprietary (enterprise) funds:

Waterworks and Sewerage Fund – This fund accounts for the provision of wastewater services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing and billing and collections.

Golf Course Fund – This fund accounts for the operation activities of a municipal golf course. Activities include, but are not limited to, course construction, including clubhouse and maintenance facilities, operations, maintenance and financing.

Airport Fund – Accounts for the operational activities of the municipal airport. Activities include, but are not limited to, administration, operations, construction and maintenance.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)
 - B. Government-wide and Fund Financial Statements (Cont.)

Fund Financial Statements (Cont.)

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the Village's own programs. The Village reports the following fiduciary fund types:

Trust Funds – The Village has two pension trust funds. These funds account for the activities of the Police Pension Employees Retirement System and the Firefighters' Pension Employees Retirement System, both of which accumulate resources for pension benefit payments to qualified public safety employees.

Agency Fund – The Village's Weber Road TIF Fund is used to account for assets held to pay future debt service for the Weber Road TIF District.

In addition to the fund types mentioned above, the Village uses the following governmental fund types:

Special Revenue Funds – Accounts for the proceeds of specific revenue sources (other than debt service or major capital expenditures) that are legally restricted to expenditures for specified purposes.

Debt Service Funds – Accounts for the Village's accumulation of resources for, and the payment of, long-term debt, principal, interest and related costs.

Capital Projects Funds – Accounts for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

The Village also has the following proprietary funds which are not considered major:

Americana Estates Fund – Accounts for the operational activities of Americana Estates. Activities include, but are not limited to, real estate development, marketing, sales and administration.

Internal Service Fund – Accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the government, on a cost-reimbursement basis. This fund reports the Village's activity for employee/retiree health care and workers' compensation.

- C. Measurement Focus and Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Non-exchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, State-shared revenues and various State, Federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, State-shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)

C. Measurement Focus and Basis of Accounting and Financial Statement Presentation (Cont.)

Governmental funds 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 to be 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 considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred as under accrual accounting. However, compensated absences are recorded only when payment is due (upon employee retirement or termination). General capital asset acquisitions are reported as expenditures in governmental funds.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first; the unrestricted resources are used as they are needed. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

D. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Village's proprietary fund types consider as cash equivalents all highly liquid investments with an original maturity of three months or less when purchased.

E. Investments

Investments are reported at fair value. Fair value is based on quoted market prices.

F. Inventories and Prepaid Expenses

Inventories are accounted for at cost using the first-in, first-out method. Inventories are accounted for under the consumption method whereby acquisitions are recorded in inventory accounts initially and charged as expenditures when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses under the consumption method.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)

G. Capital Assets

Capital assets which include property, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Village defines capital assets as assets with an estimated useful life in excess of one year and an initial individual cost of more than:

\$75,000 Sanitary Sewer Network	\$25,000 Building Improvements
\$50,000 Roadway Network	\$20,000 Land Improvements
\$50,000 Storm Sewer Network	\$20,000 Site Improvements
\$25,000 Software	\$15,000 Buildings
\$25,000 Land	\$5,000 Equipment

All purchased capital assets are recorded at cost where historical records are available or at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the phase of capital assets of business-type activities is capitalized.

All reported capital assets except land, site improvements, and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. The following estimated useful lives are used to compute depreciation on a straight-line basis:

Land Improvements	50 years
Infrastructure	40 years
Buildings	50 years
Machinery and Equipment	5 - 20 years

Gains or losses from sales or retirements of capital assets are included in operating expenses on the Statement of Activities.

H. Land Held for Resale

Land held for resale is reported as an asset at the lower of cost or estimated realizable value.

I. Vacation and Sick Leave

Vacation and sick leave are recorded in governmental funds when due (upon employee retirement or termination). Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, an expenditure/expense is reported and a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" at retirement.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)

J. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, pension and other obligations, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, at the time of issuance. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses: issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds debt. Enterprise funds individually account for and service the applicable debt that benefits those funds. Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year.

K. Golf Course Fund Deposits Payable/Deferred Revenue

The Golf Course Fund liabilities include deposits held for future outings or events totaling \$992,081 at April 30, 2015, and deferred revenue related to annual passes, gift certificates and the training facility totaling \$104,728, \$75,801 and \$17,899, respectively.

L. Deferred Outflows/Inflows of Resources

The Village reports deferred outflows of resources on its Statement of Net Position and governmental fund balance sheet. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village only has one item that qualifies for reporting in this category; it is the unamortized loss on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price.

The Village reports deferred inflows of resources on its Statement of Net Position. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has only one type of item that qualifies for reporting in this category. Accordingly, the item, unavailable property taxes, is reported in the Statement of Net Position and the governmental funds Balance Sheet. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

M. Fund Equity/Net Position

There are five classifications of fund balance:

- (1) Nonspendable – amounts that are not in spendable form (such as inventory or noncurrent advances to other funds) or are required to be maintained intact.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)

M. Fund Equity/Net Position (Cont.)

- (2) Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government) through constitutional provisions or by enabling legislation.
- (3) Committed – amounts constrained to specific purpose by a government itself, using its highest level of decision-making authority (the passage of an ordinance). To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action (the passage of another ordinance) to remove or change the constraint.
- (4) Assigned – amounts a government intends to use for a specific purpose. Intent can be expressed by the Finance Director.
- (5) Unassigned – amounts that are available for any purpose. These amounts are only reported in the General Fund.

Fund balance is displayed in the order of the relative strength of the spending constraints placed on the purposes for which resources can be used.

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

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances for any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restriction imposed by creditors, grantors, laws or regulations of other governments.

The Village did not report any committed or assigned fund balance at April 30, 2015.

The following funds had a deficit in fund balance/net position as of April 30, 2015:

Fund	Deficit Balance
Internal Service Fund	\$ 11,370,567
Community Development Block Grant Fund (Nonmajor Special Revenue)	29,859
Road and Bridge Fund (Nonmajor Special Revenue)	341,867
2002 Bond Fund (Nonmajor Capital Projects)	1,403,955

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)

N. Accounting Estimates

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

O. Interfund Transactions

The Village has the following types of transactions between funds:

Loans are amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings, and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide Statement of Net Position, except for amounts between similar activities, which have been eliminated.

Services provided and used are sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as due to/from other funds in the fund Balance Sheets or as internal balances in the government-wide Statement of Net Position.

Reimbursements are repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers are flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after non-operating revenues and expenses.

P. Implementation of New Accounting Standard

In 2015, the Police and Firefighters' Pension Plans adopted the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*, which has as its objective improving the usefulness of pension information included in the general purpose external financial reports of state and local governmental pension plans for making decisions and assessing accountability. Adoption of GASB No. 67 had no effect on net position restricted for pensions or on net increase (decrease) in net position. It did, however, change the requirements for information disclosed in the footnotes to the financial statements and information required to be presented as required supplementary information.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

2. Deposits and Investments

State statutes authorize the Village to make deposits and investments in obligations of the United States Treasury and certain of its agencies, federally insured commercial banks, insured credit unions located within the State, repurchase agreements, short-term obligations (180 days) of corporations organized in the U.S. with assets exceeding \$500 million and rated within the three highest classifications by at least two standard rating services at the time of purchase, a Public Treasurer's Investment Pool created under Section 17 of the State Treasurer Act, a fund managed, operated and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company, obligations of the State of Illinois and its political subdivisions and money market mutual funds registered under the Investment Company Act of 1940, provided the portfolio of such funds is limited to obligations described above. Pension funds may also invest in certain non-U.S. obligations and Illinois life insurance company general and separate accounts and domestic equities.

The Illinois Funds Money Market Fund is an external investment pool developed and implemented in 1975 by the Illinois General Assembly under the jurisdiction of the Illinois State Treasurer, who has regulatory oversight for the pool. The Fund is not registered with the SEC and has an affirmed AAAM Standard & Poor's credit quality rating. The fair value of the positions in the pool is the same as the value of the pool shares. The yield on the Fund was .031% at April 30, 2015. The Fund issues a publicly available financial report. That report may be obtained by writing to the Office of the State Treasurer, Illinois Funds Administrative Office, 300 W. Jefferson Street, Springfield, Illinois 62702.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold. IMET issues a publicly available financial report. That report may be obtained at www.investimet.com or by writing IMET, 1220 Oak Brook Road, Oak Brook, Illinois 60523.

A. Deposits

The carrying amount of cash deposits at financial institutions, excluding the Pension Trust and Agency Funds, was \$17,201,084 at April 30, 2015, while the bank balances were \$17,056,975. All of the bank balances, except for \$609,755, were either insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized with securities of the U.S. government or with letters of credit issued by the Federal Home Loan Bank held in the Village's name by financial institutions acting as the Village's agent. Cash on hand at April 30, 2015, was \$23,266.

At April 30, 2015, the Weber Road TIF Agency Fund's carrying amount of cash and cash equivalents and the related bank balances were \$864,376. \$614,376 of the bank balance was not insured by the Federal Deposit Insurance Corporation (FDIC) nor collateralized with securities of the U.S. government or with letters of credit issued by the Federal Home Loan Bank held in the Village's name by financial institutions acting as the Village's agent.

Certificates of Deposit

Certificates of deposits, excluding the Pension Trust Funds, totaled \$4,877,316 at April 30, 2015. The certificates of deposits, except for \$6,422 from the Village certificates of deposits, were fully collateralized.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

2. Deposits and Investments (Cont.)

B. Investments (Excluding Pension Trust Funds)

Statutes authorize the Village to make deposits or invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or by agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporation's tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivision, stocks, mutual funds and Illinois insurance companies' general and separate accounts.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Village's investments at April 30, 2015. Disclosures pertaining to the Pension Funds' investments are found in Note 11.

Investment Type	Fair Value	Investment Maturities			
		Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
U.S. Treasury Securities	\$ 4,172,255	1,408,274	2,763,981		
Federal Farm Credit Bank	1,045,221	1,045,221			
Federal National Mortgage Association	5,002,572	808,692	2,742,269	4,101	1,447,510
Federal Home Loan Bank	4,353,959	1,070,074	3,283,885		
Federal Home Loan Mortgage Corporation	3,348,029	754,834	856,626	182,481	1,554,088
Government National Mortgage Association	8,433,658				8,433,658
Other Government Backed Securities	525,750		525,750		
Total Investments	26,881,444	5,087,095	10,172,511	186,582	11,435,256
Investments Not Sensitive to Interest Rate Risk - Money Market Funds	31,180,075				
	<u>\$ 58,061,519</u>				

Interest Rate Risk – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village's investment policy does not specifically address interest rate risk. However, the Village structures its investment portfolio so that securities mature to meet cash requirements for ongoing operations and special projects, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter term securities, money market mutual funds, or similar investment pools.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

2. Deposits and Investments (Cont.)

B. Investments (Excluding Pension Trust Funds) (Cont.)

Credit Risk – Generally, credit risk is the risk that an issuer of a debt type instrument will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

The Village's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculative investments.

Credit ratings for the Village's investments in debt securities as rated by Standard & Poor's and Moody's at April 30, 2015, are as follows:

<u>Investment Type</u>	<u>Standard and Poor's Rating</u>	<u>Moody's Rating</u>
U.S. Treasury Securities	N/A	AAA/Aaa
Federal Farm Credit Bank	AA+	AAA/Aaa
Federal National Mortgage Association	AA+	AAA/Aaa
Federal Home Loan Bank	AA+	AAA/Aaa
Federal Home Loan Mortgage Corporation	AA+	AAA/Aaa
Government National Mortgage Association	AA+	AAA/Aaa

Custodial Credit Risk – For investments, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Village's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

2. Deposits and Investments (Cont.)

C. Reconciliation of Footnotes to Statements

Village Cash Deposits	\$ 17,201,084
Village Cash on Hand	23,266
Village Certificates of Deposits	4,877,316
Village Investments	26,881,444
Village Money Market Funds	31,180,075
Agency Fund Cash Deposits	864,376
Police Pension Cash Deposits	840,962
Firefighters' Pension Cash Deposits	1,380,821
Police Pension Fund Investments	52,957,000
Firefighters' Pension Fund Investments	<u>43,431,715</u>
Total per Footnote	<u>\$ 179,638,059</u>
Cash and Investments per Statement of Net Position	\$ 80,163,185
Agency Fund Cash	864,376
Pension Cash and Investments	<u>98,610,498</u>
	<u>\$ 179,638,059</u>

3. Property Taxes

Property taxes for 2014 attach as an enforceable lien on January 1, 2014, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2015, and are payable in two installments on or about June 1, 2015 and September 1, 2015. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 2% of the tax levy, to reflect actual collection experience. The property tax revenue in the current year financial statements represents collection of the 2013 property tax levy.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

4. Capital Assets

A. Governmental Activities

A summary of changes in capital assets for governmental activities of the Village is as follows:

	Restated Balances May 1	Additions	Deletions	Balances April 30
Capital Assets Not Being Depreciated				
Land	\$ 186,116,608			186,116,608
Construction in Progress	2,853,753	409,780		3,263,533
	<u>188,970,361</u>	<u>409,780</u>	<u>-</u>	<u>189,380,141</u>
Capital Assets Being Depreciated				
Land Improvements	14,659,455			14,659,455
Infrastructure	150,371,301	2,064,868		152,436,169
Buildings	45,299,124	60,300		45,359,424
Machinery and Equipment	18,826,293	616,620	470,539	18,972,374
	<u>229,156,173</u>	<u>2,741,788</u>	<u>470,539</u>	<u>231,427,422</u>
Accumulated Depreciation	<u>(98,724,285)</u>	<u>(8,931,447)</u>	<u>470,162</u>	<u>(107,185,570)</u>
Total Capital Assets Being Depreciated, Net	<u>130,431,888</u>	<u>(6,189,659)</u>	<u>377</u>	<u>124,241,852</u>
Governmental Activities Capital Assets, Net	<u>\$ 319,402,249</u>	<u>(5,779,879)</u>	<u>377</u>	<u>313,621,993</u>

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

4. Capital Assets (Cont.)

B. Business-Type Activities

A summary of changes in capital assets for business-type activities of the Village is as follows:

	Restated Balances May 1	Additions	Deletions	Balances April 30
Capital Assets Not Being Depreciated				
Land	\$ 48,380,472			48,380,472
Construction in Progress	16,441,641	757,208		17,198,849
	<u>64,822,113</u>	<u>757,208</u>	-	<u>65,579,321</u>
Capital Assets Being Depreciated				
Land Improvements	2,527,732			2,527,732
Infrastructure	135,248,442			135,248,442
Buildings	42,613,735			42,613,735
Equipment	15,383,086	41,479		15,424,565
Vehicles	979,871			979,871
	<u>196,752,866</u>	<u>41,479</u>	-	<u>196,794,345</u>
Accumulated Depreciation	<u>(75,501,726)</u>	<u>(3,795,057)</u>		<u>(79,296,783)</u>
Total Capital Assets Being Depreciated, Net				
	<u>121,251,140</u>	<u>(3,753,578)</u>		<u>117,497,562</u>
Business-Type Activities Capital Assets, Net				
	<u>\$ 186,073,253</u>	<u>(2,996,370)</u>	-	<u>183,076,883</u>

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

4. Capital Assets (Cont.)

C. Depreciation Charged to Functions/Activities

Depreciation was charged to functions/activities as follows:

	Governmental Activities	Business-Type Activities
General Government	\$ 377,915	
Public Safety	1,422,778	
Public Works	7,130,754	
Waterworks and Sewerage		3,130,648
Golf Course		476,132
Airport		161,177
Americana Estates		27,100
	<u>\$ 8,931,447</u>	<u>3,795,057</u>

D. Commitments

The Village has certain contracts for construction projects which were in progress as of April 30, Error! **Unknown switch argument.** The remaining commitments are as follows:

Route 126 Interchange	\$ 308,468
Cumberland Pond Enhancements	148,597

E. Reclassifications

At April 30, 2015, the Village has reclassified certain prior year capital assets and land held for resale amounts to reflect a more accurate description of the long-term assets. The reclassified balances for Business-Type Activities Nonmajor Enterprise, Aggregate Remaining Funds and Governmental Activities as of May 1, 2014, are as follows:

Business-Type Activities

	Balances April 30, 2014	Reclassification	Balances May 1, 2014
Land	\$ 57,349,769	(8,969,297)	48,380,472
Land Held for Resale	-	8,969,297	8,969,297

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

4. Capital Assets (Cont.)

E. Reclassifications (Cont.)

Americana Estates (Nonmajor Fund)

	Balances April 30, 2014	Reclassification	Balances May 1, 2014
Land	\$ 9,222,516	(8,969,297)	253,219
Land Held for Resale	-	8,969,297	8,969,297

Governmental Activities

	Balances April 30, 2014	Reclassification	Balances May 1, 2014
Construction in Progress	\$ 3,077,394	(223,641)	2,853,753
Infrastructure	150,147,660	223,641	150,371,301
Buildings	45,240,781	58,343	45,299,124
Machinery and Equipment	18,884,636	(58,343)	18,826,293

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

5. Long-Term Obligations

The following is a summary of changes to the Village's long-term debt for the fiscal year:

A. General Obligation/Capital Appreciation Bonds

	Restated Obligation Outstanding May 1	Debt Additions	Interest Accretion	Reductions	Obligation Outstanding April 30	Due Within One Year
<i>Governmental Activities</i>						
1995A General Obligation Bonds	\$ 195,000			195,000		
1999C Capital Appreciation Bonds	31,199,717		1,666,182	935,000	31,930,899	1,225,000
2002B Capital Appreciation Bonds	29,073,848		1,763,693	15,000	30,822,541	260,000
2006A General Obligation Bonds	42,820,000			42,820,000		
2006B Capital Appreciation Bonds	16,746,463		450,160	17,196,623		
2007 General Obligation Bonds	41,815,000				41,815,000	
2010A General Obligation Bonds	23,200,000				23,200,000	
2010B General Obligation Bonds	4,045,000			260,000	3,785,000	340,000
2013A General Obligation Current Interest Bonds	7,255,000				7,255,000	
2013A General Obligation Capital Appreciation Bonds	23,922,258		1,260,397		25,182,655	
2014A General Obligation Current Interest Bonds		57,045,000			57,045,000	1,605,000
Bond Discount	(569,816)			(405,268)	(164,548)	
Bond Premium	1,791,940	2,003,655		180,865	3,614,730	
Compensated Absences	5,742,932	2,830,776		3,360,508	5,213,200	2,606,233
Net Pension Obligation - IMRF	163,154	3,490			166,644	
Net Pension Obligations - Other	10,159,184	435,949			10,595,133	
Net Other Post-Employment Benefit Obligation	7,007,756	1,804,609			8,812,365	
Property Tax Refund Payable	418,493			209,246	209,247	209,247
Totals	\$ 244,985,929	64,123,479	5,140,432	64,766,974	249,482,866	6,245,480
<i>Business-Type Activities</i>						
Capital Leases Payable	\$ 451,637			144,097	307,540	155,167
Compensated Absences	292,193	71,675		171,107	192,761	126,446
Totals	\$ 743,830	71,675	-	315,204	500,301	281,613

On March 3, 2010, the Village issued \$23,200,000 of General Obligation Refunding Bonds, Series 2010A. The balance outstanding at April 30, 2015, is \$23,200,000. The bonds are to be retired in annual installments ranging from \$770,000 to \$3,485,000 commencing January 1, 2022, and continuing through January 1, 2035. Interest is payable semiannually at rates ranging from 4.00% to 5.00%. The bonds are payable from the Debt Service Fund.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

5. Long-Term Obligations (Cont.)

A. General Obligation/Capital Appreciation Bonds (Cont.)

On March 3, 2010, the Village issued \$4,235,000 of General Obligation Bonds, Series 2010B. The balance outstanding at April 30, 2015, is \$3,785,000. The bonds are to be retired in annual installments ranging from \$260,000 to \$975,000 commencing January 1, 2015, and continuing through January 1, 2021. Interest is payable semiannually at rates ranging from 3.25% to 4.00%. The bonds are payable from the Debt Service Fund.

On December 27, 2007, the Village issued \$41,815,000 of General Obligation Bonds. The bonds are to be retired in annual installments ranging from \$3,880,000 to \$5,365,000, beginning January 1, 2029 through January 1, 2037. Interest is payable semiannually at 5.00%. The bonds are payable from the Debt Service Fund.

On June 15, 2006, the Village issued \$47,730,000 of General Obligation Bonds Series 2006A. On June 6, 2013, a portion of these bonds totaling \$4,910,000 was refunded with proceeds from the General Obligation Bonds, Series 2013A. The remaining outstanding bonds totaling \$42,820,000 were paid or refunded during the current year. See Note 5.F for additional information on refunding.

On June 15, 2006, the Village issued \$13,808,210 of General Obligation Capital Appreciation Bonds Series 2006B. On June 6, 2013, a portion of these bonds totaling \$907,558 was refunded with proceeds from the General Obligation Bonds, Series 2013A. The remaining outstanding bonds totaling \$16,746,463 were paid or refunded during the current year. See Note 5.F for additional information on refunding.

On April 1, 2002, the Village issued \$60,719,292 of General Obligation Corporate Purpose Capital Appreciation Bonds. On June 15, 2006, a portion of these bonds totaling \$35,385,000 was refunded with proceeds from the General Obligation Bonds, Series 2006A. On March 3, 2010, a portion of the bonds totaling \$3,405,000 was refunded with proceeds from the General Obligation Refunding Bonds Series 2010A. On June 6, 2013, a portion of the bonds totaling \$12,485,730 was refunded with proceeds from the General Obligation Refunding Bonds Series 2013A. The remaining outstanding bonds totaling \$30,822,541 at April 30, 2015, are to be retired in annual installments ranging from \$15,000 to \$15,085,000, beginning January 1, 2015, and continuing through January 1, 2034. Interest accrues and is added to the principal balance due semiannually at rates ranging from 5.42% to 6.03%. The bonds are payable from the Debt Service Fund.

On May 1, 1999, the Village issued \$14,345,924 of Capital Appreciation Bonds Series 1999C. The bonds, totaling \$31,930,899 at April 30, 2015, are to be retired in annual installments ranging from \$935,000 to \$6,730,000, beginning January 1, 2015 through January 1, 2029. Interest accrues semiannually and is added to the principal balance due at rates ranging from 5.1% to 5.4%. The bonds are payable from the Debt Service Fund.

On June 6, 2013, the Village issued \$29,899,257 of General Obligation Refunding (Current Interest and Capital Appreciation) Bonds Series 2013A. The remaining outstanding bonds totaling \$32,437,655 at April 30, 2015, are to be retired in annual installments ranging from \$50,000 to \$22,300,000, beginning January 1, 2019 through January 1, 2037. Interest is payable semiannually and is added to the principal balance due at rates ranging from 3.00% to 5.00%. The bonds are payable from the Debt Service Fund. Additional information regarding this refunding can be found in Note 5.F.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

5. Long-Term Obligations (Cont.)

A. General Obligation/Capital Appreciation Bonds (Cont.)

On December 29, 2014, the Village issued \$57,045,000 of General Obligation Refunding Bonds Series 2014A. The outstanding bonds totaling \$57,045,000 at April 30, 2015, are to be retired in annual installments ranging from \$405,000 to \$19,210,000, beginning January 1, 2016 through January 1, 2038. Interest is payable semiannually at rates ranging from 2.00% to 5.00%. The bonds are payable from the Debt Service Fund. Additional information regarding this refunding transaction can be found in Note 5.F.

B. Compensated Absences

Compensated absences will be paid as they come due. These represent amounts outstanding for sick and vacation time at April 30, 2015, and will be paid from the fund where the employee's salary is paid.

C. General Obligation Tax Increment Financing Bonds

The Village also issues bonds when it pledges incremental tax income derived from a separately created tax increment financing district. These bonds are a direct obligation of the Village and are secured by the full faith and credit of the government. General obligation tax increment financing bonds current outstanding are as follows:

On May 25, 1995, the Village issued \$2,000,000 of Beaconridge Tax Increment Revenue Bonds, Series 1995A, partially refunded with proceeds of 2010 bonds. The bonds, were retired in the current fiscal year.

D. Debt Service Requirements to Maturity – General Obligation Bonds

Annual debt service requirements to maturity for all governmental bond issues, excluding capital appreciation bonds, are as follows:

Due in Fiscal Year	Principal	Interest	Total Debt Service
2016	\$ 1,945,000	4,917,885	6,862,885
2017	2,195,000	6,023,964	8,218,964
2018	1,755,000	5,949,578	7,704,578
2019	1,265,000	5,886,355	7,151,355
2020	2,765,000	5,835,407	8,600,407
2021-2025	17,285,000	26,957,671	44,242,671
2026-2030	24,935,000	22,514,181	47,449,181
2031-2035	37,250,000	14,153,588	51,403,588
2036-2038	43,705,000	4,018,950	47,723,950
	<u>\$ 133,100,000</u>	<u>96,257,579</u>	<u>229,357,579</u>

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

5. Long-Term Obligations (Cont.)

D. Debt Service Requirements to Maturity – General Obligation Bonds (Cont.)

Future payments and annual accretions for the Capital Appreciation Bonds for each of the next five fiscal years and in five-year increments thereafter are as follows:

Fiscal Year Ending April 30,	Series 1999C		Series 2002B		2013A	
	Accretion	Principal	Accretion	Principal	Accretion	Principal
2016	\$ 1,699,855	1,225,000	1,863,051	260,000	\$ 1,326,567	
2017	1,719,152	1,530,000	1,956,380	435,000	1,396,709	
2018	1,722,140	1,860,000	2,044,985	620,000	1,470,246	
2019	1,706,221	2,215,000	2,127,321	820,000	1,547,678	
2020	1,669,514	2,595,000	2,203,292	1,030,000	1,629,703	
2021-2025	6,875,680	19,630,000	11,766,428	8,915,000	9,529,809	
2026-2030	1,741,539	20,010,000	10,745,265	20,740,000	12,044,274	5,900,000
2031-2035			4,685,737	35,395,000	11,476,743	34,100,000
2036-2037					895,616	26,500,000
	<u>\$ 17,134,101</u>	<u>49,065,000</u>	<u>\$ 37,392,459</u>	<u>68,215,000</u>	<u>\$ 41,317,345</u>	<u>66,500,000</u>

Accreted Value at April 30, 2015		<u>31,930,899</u>		<u>30,822,541</u>		<u>25,182,655</u>
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Fiscal Year Ending April 30,	Total Capital Appreciation Bonds	
	Accretion	Principal
2016	\$ 4,889,473	1,485,000
2017	5,072,241	1,965,000
2018	5,237,371	2,480,000
2019	5,381,220	3,035,000
2020	5,502,509	3,625,000
2021-2025	28,171,917	28,545,000
2026-2030	24,531,078	46,650,000
2031-2035	16,162,480	69,495,000
2036-2037	895,616	26,500,000
	<u>\$ 95,843,905</u>	<u>183,780,000</u>

Accreted Value at April 30, 2015		<u>87,936,095</u>
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VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

5. Long-Term Obligations (Cont.)

E. Junior Lien Tax Increment Variable Rate Demand Revenue Bonds – Non-commitment Debt

The Village issues bonds where it pledges incremental tax income derived from a separately created Weber Road Tax Increment Financing District.

On October 5, 2005, the Village issued \$8,880,000 of Tax Increment Revenue Variable Rate Demand Revenue bonds. The bonds are to be retired in annual installments ranging from \$550,000 to \$1,045,000, beginning January 1, 2016 through January 1, 2025. Interest is payable semiannually at a variable rate.

At the discretion of the Village, with the consent of the developer and the bank, the Series 2005 bonds may bear interest at a weekly or flexible mode period. The length of the flexible mode will be set by the Village and must: (a) be at least one month long and (b) end on the day preceding the first business day of a calendar month (or the final maturity of the Series 2005 bonds if the flexible period extends to the final maturity date), interest on the Series 2005 bonds in a weekly mode is payable on the first business day of each month. Interest on the Series 2005 bonds in a flexible mode period of at least six calendar months is payable on: (a) the first day of the sixth calendar month following, but including the month of, the conversion date, (b) the first day of each successive sixth calendar month and (c) the business day following the end of such flexible period (or the final maturity of the Series 2005 bonds if the flexible period extends to the final maturity of the Series 2005 bonds). If a flexible mode period is shorter than six calendar months, interest is payable on the first business day of the calendar month immediately following the flexible mode period (or the final maturity of the Series 2005 bonds if the flexible period extends to the final maturity of the Series 2005 bonds). If applicable, interest is also payable on any date on which the Series 2005 bonds may become due.

The Village has appointed a remarketing agent for the Series 2005 bonds that resets the interest rate on the Series 2005 bonds based on current market conditions and the length of the flexible mode period. The remarketing agent uses its best efforts to resell the Series 2005 bonds at favorable interest rates following either an optional or mandatory tender.

In the event the remarketing agent is unable to resell the Series 2005 bonds, the Village has obtained an irrevocable direct pay letter of credit (LOC) supporting the payment of the Series 2005 bonds which may be drawn upon to pay interest in the amount of \$46,818, and to pay principal for a stated amount of \$5,425,000. The LOC securing the Series 2005 bonds terminates, unless extended, on the earliest of September 28, 2012, or upon redemption of the Series 2005 bonds. As of April 30, 2015, there were no amounts drawn and the amount of \$5,471,818 was outstanding on the LOC for the Series 2005 bonds.

The variable interest rate is based on the Bond Market Association Municipal Swap Index. The bonds are payable from the Weber Road TIF Debt Service Fund. At April 30, 2015, there were \$6,800,000 bonds payable outstanding. These bonds are not an obligation of the Village and are secured only by the incremental revenues generated by the district. The Village does collect taxes and makes payments on behalf of the Developer at the request of the Developer.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

5. Long-Term Obligations (Cont.)

F. Advance Refunding – General Obligation Bonds

On December 29, 2014, the Village issued \$57,045,000 in General Obligation Refunding Bonds with interest rates ranging from 2.00% to 5.00%. The proceeds were used to advance refund \$42,820,000 of outstanding Series 2006A Bonds which had interest rates of 4.625% to 5.00%, and to advance refund \$15,321,623 of outstanding Series 2006B Bonds which had interest rates of 4.10% to 5.13%. The net proceeds of \$58,248,987 (including a \$2,003,655 premium and after payment of \$799,668 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide fund for future debt service payments on the refunded bonds. As a result, the above referenced bonds are considered defeased and the liability for those bonds has been removed from the statement of net position.

The Village advance refunded the above-referenced Bonds to reduce its total debt service payments over 23 years by \$7,936,155 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$5,061,519.

In prior years, the Village has defeased \$4,661,141 of the General Obligation Series 1997 and \$5,500,000 of the General Obligation Series 1999A by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings for the investment are sufficient to fully service the defeased debt until the debt matures. For financial reporting purposes, the debt has been considered defeased; therefore, the above listed debt was removed from the Village's financial statements. The outstanding balance as of April 30, 2015, for the Series 1997 bonds was \$4,505,000 and for the 1999A Series bonds was \$5,500,000.

In prior years, the Village defeased \$35,385,000 of the General Obligation Series 2002A by creating an irrevocable trust fund. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings for the investment are sufficient to fully service the defeased debt until the debt matures. For financial reporting purposes, the debt has been considered defeased; therefore, the above listed debt was removed from the Village's financial statements. The outstanding balance as of April 30, 2015, for the Series 2002A bonds was \$35,385,000.

In the prior year, the Village defeased \$5,937,136 of the General Obligation Series 1999B debt by creating a separate irrevocable trust fund. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings for the investment are sufficient to fully service the defeased debt until the debt matures. For financial reporting purposes, the debt has been considered defeased; therefore, the above listed debt was removed from the Village's financial statements. The outstanding balance as of April 30, 2015, for the Series 1999B bonds was \$5,937,136.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

5. Long-Term Obligations (Cont.)

G. Special Service Area Bonds

During fiscal year 2003, the Village issued \$4,530,000 Special Tax Bonds, Series 2003A and \$11,000,000 Special Tax Bonds, Series 2002. These bonds were issued to finance the Bloomfield West Project (Special Service Area No. 2001-2) and the Augusta Village Project (Special Service Area No. 2002-1). These bonds are not general obligations of the Village and neither the full faith and credit nor the general taxing power of the Village is pledged to the payment of these bonds.

H. Capital Leases Payable

On November 19, 2012, the Village entered into a lease-purchase agreement for golf carts and other equipment. The lease will expire in fiscal year 2017. The assets under the capital lease in the amount of \$867,193 were capitalized at the inception of the lease. As of April 30, 2015, the accumulated depreciation balance relating to these assets is \$260,189. Total principal due as of April 30, 2015, is \$300,040 with payments of \$150,020 due in fiscal years 2016 and 2017.

On April 25, 2013, the Village entered into a lease-purchase agreement for a new phone system. The lease will expire in fiscal year 2018 and requires future minimum payments of \$5,321 for each fiscal year through 2018. The asset under the capital lease in the amount of \$25,987 was capitalized in fiscal year 2013. As of April 30, 2015, the accumulated depreciation balance related to this asset is \$6,497. Total principal due as of April 30, 2015, is \$7,500 with payments of \$5,321 and \$2,353 due in fiscal years 2016 and 2017, respectively.

J. Refundable Property Taxes

In the prior fiscal year, the Village received a court order stating that the Village must repay property taxes received from Bolingbrook Adventist Hospital in previous years as it was determined that the Hospital was not required to pay these taxes. The Hospital allowed for the taxing bodies (including the Village of Bolingbrook) to repay the amounts over the course of three years interest-free. The Village paid \$209,246 of the obligation during the current fiscal year. The Village is required to repay \$209,247 in the next fiscal year.

6. Commitments and Contingent Liabilities

On March 27, 2013, the Village entered into a lease agreement for computer and copier equipment. The lease will expire in fiscal year 2017. The Village made payments totaling \$35,280 on the lease in the current fiscal year. As of April 30, 2015, remaining payments due are \$35,280 in fiscal year 2016 and \$5,880 in fiscal year 2017. Total remaining amount due as of April 30, 2015, is \$41,160.

The Village has entered into economic development agreements with various retail establishments in the Village to provide sales tax rebates. These costs are reported in the General Fund. The Village paid and/or accrued a total of \$5,221,249 related to these agreements during fiscal year 2015. The Village recorded a liability of \$4,065,501 related to sales tax rebates at April 30, 2015. These agreements are set to expire in fiscal year 2029.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

6. Commitments and Contingent Liabilities (Cont.)

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

The Village enters into contractual commitments for various construction projects throughout the year as budgeted for annually.

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

7. Lease Agreement

The Village is the lessor in an agreement to lease a Village-owned building to American Sports, Ltd. for the operation of the Rocket Ice Arena. Under the agreement, the Village receives 1% of gross revenues of the Arena. During the current fiscal year, the Village received \$22,858. Subsequent to fiscal year end, the Village amended the agreement to extend the 1% of gross revenues lease payment until June 1, 2024. Subsequent to June 1, 2024, the lease payment will increase to 3% of gross revenues.

8. Risk Management

The Village is exposed to various risks related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. The Village has purchased general liability insurance and workers' compensation insurance from private insurance companies. Premiums for these coverages have been reported as expenditures or expenses in the appropriate funds. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There was no significant reduction in insurance coverage during the fiscal years ended April 30, 2015, 2014 and 2013.

The Village has established a Self-Insurance Fund (internal service fund): one sub-fund is for workers' compensation claims prior to May 1, 1998, and one sub-fund is for medical risks. The Village has also purchased excess coverage policies.

Liabilities of the funds are reported when it is probable that a loss has occurred and that the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts and other economic and social factors. Changes in the balances of claims liabilities during the past three fiscal years are as follows:

	2015	2014	2013
Claims Payable, Beginning of Year	\$ 335,225	401,994	347,681
Incurred Claims (Including IBNRs)	7,298,484	6,202,491	6,828,496
Claims Payable	(7,309,816)	(6,269,260)	(6,774,183)
Claims Payable, End of Year	\$ 323,893	335,225	401,994

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

8. Risk Management (Cont.)

The Village has also established a limited self-insurance program for general liability claims. The Village is self-insured for the first \$50,000 for liability claims. Commercial insurance is carried for amounts in excess of the self-insured amounts. There has been no significant reduction in coverage in any program from coverage in the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current year. The Village's self-insurance activities for general liability are reported in the General Fund and governmental activities.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Reported liabilities are actuarially determined and include an amount for claims that have been incurred but not reported.

A reconciliation of general claims liability for the past three fiscal years follows:

	2015	2014	2013
Claims Payable, Beginning of Year	\$ 207,441	240,027	235,420
Claims Incurred	239,143	311,767	232,301
Claim Payments	(217,296)	(344,353)	(227,694)
Claims Payable, End of Year	\$ 229,288	207,441	240,027

Pursuant to State Statute, the Village is required to pay 100% of the health insurance premium for disabled pensioners for life. See additional information regarding Other Post-Employment Benefits in Note 12.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
 April 30, 2015

9. Interfund Transactions

A. Due from/to Other Funds

Receivable Fund	Payable Fund	Due From
General	Refuse and Recycling	\$ 6,576,355
General	Debt Service	8,750
		<u>6,585,105</u>
Waterworks and Sewerage	General	<u>200</u>
Internal Service	General	<u>421,543</u>
Police Pension	General	857,026
Fire Pension	General	670,930
Police Pension	Refuse and Recycling	495,265
Fire Pension	Refuse and Recycling	488,260
Police Pension	Debt Service	642,923
Fire Pension	Debt Service	633,828
	Total Fiduciary Funds	<u>3,788,232</u>
		<u><u>\$ 10,786,330</u></u>

The outstanding balances between funds result mainly from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) collections of revenues in a fund not yet transferred to the fund where it is recognized.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

9. Interfund Transactions (Cont.)

B. Advances from/to Other Funds

Receivable Fund	Payable Fund	Due From
General	Waterworks and Sewerage	\$ 5,336,663
General	Golf Course	4,259,945
General	Airport	778,678
General	Americana Estates	38,700
General	Internal Service	10,591,119
General	Nonmajor Governmental	5,106,635
	Total General Fund	<u>26,111,740</u>
Debt Service	Airport	<u>2,289,221</u>
2007 Bond	General	<u>6,757,073</u>
Nonmajor Governmental	General	277,310
Nonmajor Governmental	Golf Course	20,751
Nonmajor Governmental	Airport	294,238
	Total Nonmajor Governmental	<u>592,299</u>
		<u>\$ 35,750,333</u>

Significant advance balances include the Health Insurance Sub-Fund of \$10,591,119. The Village is self-insured and pays all medical and dental claims after a stop loss per employee. The stop loss for the calendar year 2015 was at \$90,000. Although the employee contributes via monthly premiums, the actual claims have exceeded the employee and employer premiums and the \$10,951,119 is a cumulative balance since inception of the self-insured plan.

Other advances are due to the timing of reimbursements to or from the General Corporate Fund not made as of April 30, 2015, or advances that are longer term.

C. Transfers

Fund	Transfer In	Transfer Out
General Fund	\$	142,000
Nonmajor Governmental Fund	142,000	
	<u>\$ 142,000</u>	<u>142,000</u>

The purpose of the interfund transfer was reimbursement to the 911 Emergency Fund for the amount paid by the General Corporate Fund to purchase the Microwave Alarm Monitoring System.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10 . Employee Retirement Systems

The Village contributes to four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system, the Sheriffs Law Enforcement Personnel Fund (SLEP), which is administered by IMRF, an agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all four plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police and Firefighters' Pension Plans do not issue separate reports on the pension plans. IMRF issues a publicly available report that includes financial statements and supplementary information for the regular plan and SLEP as a whole, but not for individual employers. That report may be obtained on-line at www.imrf.org.

A. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years and 2% for each year thereafter.

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

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer annual required contribution rate for calendar 2014 was 12.16%.

For the SLEP Plan, members are required to contribute 7.50% of their annual covered salary. The employer rate for calendar year 2014 was 13.75%.

Police Pension Fund

Plan Description and Provisions

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit, single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Chapter 40 Illinois Compiled Statutes 5 and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The plan does not issue a stand-alone financial report.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

Plan Description and Provisions (Cont.)

At April 30, 2015, the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but Not Yet Receiving Them	61
Current Employees	
Vested	88
Nonvested	<u>24</u>
Total	<u>173</u>

The following is a summary of the Police Pension Plan as provided by the Illinois State Statutes:

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% simple interest annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of one-half of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or one-half of the change in the Consumer Price Index for the proceeding calendar year.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, as actuarially determined by an enrolled actuary. By the year 2040, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

Plan Description and Provisions (Cont.)

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or one-half of the change in the Consumer Price Index for the proceeding calendar year.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, as actuarially determined by an enrolled actuary. By the year 2040, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded.

Investment Policy

The Police Pension Fund is authorized to invest in bonds, notes, and other obligations of the U.S. government; corporate debentures and obligations; insured mortgage notes and loans; common and preferred stocks; stock options and other investment vehicles as set forth in the Illinois Compiled Statutes.

The Police Pension Fund's investment policy in accordance with ILCS establishes the following ranges and target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	60.0%	5.3%
Equities		
U.S. Large Cap	28.0%	6.9%
U.S. Small Cap	8.0%	12.2%
International Stocks	4.0%	10.3%

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

Investment Policy (Cont.)

The long-term expected rate of return of the Police Pension Fund's investments was determined using an asset allocation study conducted by the Police Pension Fund's investment manager consultant in March 2015 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2015, are listed in the table above.

Investment Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on the police pension plan investments, net of pension plan investment expense, was 6.51%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

None of the Police Pension Fund's deposits (bank balances of \$852,933 and carrying amount of \$840,962) with financial institutions were exposed to custodial credit risk, as those deposits were insured, or fully collateralized by investments held by an independent third party in the Village's name.

Interest Rate Risk

This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The Police Pension Fund does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

Interest Rate Risk (Cont.)

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Police Pension Fund's investments at April 30, 2015:

Investment Type	Fair Value	Investment Maturities			
		Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
U.S. Treasury Securities	\$ 7,776,072	566,703	5,951,197	1,258,172	
Government National Mortgage Association	13,443		13,443		
Federal National Mortgage Association	2,834,086		2,636,629	197,457	
Federal Farm Credit Bank	5,148,812	569,924	819,769	2,859,864	899,255
Federal Home Loan Mortgage Corporation	3,128,084	135,045	1,991,655	1,001,384	
Federal Home Loan Bank	8,098,093	86,115	2,406,737	5,101,754	503,487
Tennessee Valley Authority	204,083		204,083		
Municipal Bonds	3,534,544	133,263	744,857	1,735,124	921,300
Total	30,737,217	1,491,050	14,768,370	12,153,755	2,324,042
Investments Not Sensitive to Interest Rate Risk -					
Mutual Funds	17,868,434				
Common and Preferred Stock	4,351,349				
Total Investments	\$ 52,957,000				

Credit Risk

The Police Pension Fund's policy requires all fixed income investments to be of investment grade quality or higher at purchase. The investments in securities of the U.S. government and agency obligations were rated AAA by Moody's Investors Service. Also, according to the provision of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. The Board, at its discretion, may impose a higher standard on an individual investment manager basis as circumstances and objectives dictate.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

Credit Risk (Cont.)

Credit ratings for the Fund's investments in debt securities as described by Standard & Poor's and Moody's at April 30, 2015, are as follows:

Investment Type	Standard and Poor's Rating	Moody's Rating
U.S. Treasury Securities	N/A	N/A
Government National Mortgage Association	N/A	N/A
Federal National Mortgage Association	AA+	AAA/Aaa
Federal Farm Credit Bank	AA+	AAA/Aaa
Federal Home Loan Mortgage Corporation	AA+	AAA/Aaa
Federal Home Loan Bank	AA+	AAA/Aaa
Tennessee Valley Authority	AA+	AAA/Aaa
Municipal Bonds	A to AAA	A2 to Aaa

Custodial Credit Risk

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

Net Pension Liability

The components of the net pension liability of the Police Pension Fund as of April 30, 2015, calculated in accordance with GASB Statement No. 67 were as follows:

Total Pension Liability	\$ 107,751,266
Plan Fiduciary Net Position	56,061,507
Village's Net Pension Liability	51,689,759
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.03%

See the Schedule of Changes in Employer's Net Pension Liability and related ratios in the Required Supplementary Information for additional information related to the funded status of the Police Pension Fund.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

Actuarial Assumptions

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

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary Increases	5.00%
Discount Rate	7.50%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market

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

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below represents the pension liability of the Village calculated using the discount rate of 7.50% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%) or one percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	\$ 66,819,654	51,689,759	39,214,870

Firefighters' Pension Fund

Plan Description and Provisions

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit, single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contribution levels are mandated by Chapter 40 Illinois Compiled Statutes 5 and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The plan does not issue a stand-alone financial statement.

At April 30, 2015, the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but Not Yet Receiving Them	62
Current Employees	
Vested	62
Nonvested	<u>23</u>
Total	<u><u>147</u></u>

The following is a summary of the Firefighters' Pension Plan as provided by the Illinois State Statutes:

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service. The monthly pension shall be increased by one-twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

Plan Description and Provisions (Cont.)

may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement, and paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of one-half of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or one-half of the change in the Consumer Price Index for the proceeding calendar year.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, as actuarially determined by an enrolled actuary. By the year 2040, the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded.

Investment Policy

The Firefighters' Pension Fund is authorized to invest in bonds, notes and other obligations of the U.S government; corporate debentures and obligations; insured mortgage notes and loans; common and preferred stocks; stock options and other investment vehicles as set forth in the Illinois Compiled Statutes.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

Investment Policy (Cont.)

The Firefighters' Pension Fund's investment policy in accordance with ILCS establishes the following:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	2.9%
Fixed Income	3.6%
Equities:	
U.S. Large Cap	8.7%
U.S. Mid Cap	9.1%
U.S. Small Cap	9.5%
International Stocks	9.2%
Emerging Market Equity	10.1%
Real Estate Investment Trusts	7.5%

Firefighters' Pension has not formally adopted a target allocation range. The long-term expected rate of return of the Firefighters' Pension Fund's investments was determined using an asset allocation study conducted by the Firefighters' Pension Fund's investment manager consultant in March 2015 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2015, are listed in the table above.

Investment Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on the firefighters' pension plan investments, net of pension plan investment expense, was 4.59%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

Deposits with Financial Institutions

None of the Firefighters' Pension Fund's deposits (bank balances of \$1,350,131 and carrying amount of \$1,380,821) with financial institutions were exposed to custodial credit risk, as those deposits were insured, or fully collateralized by investments held by an independent third party in the Village's name.

Interest Rate Risk

This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Firefighters' Pension Fund's investment policy states that to minimize the risk of large losses caused by highly volatile changes in interest rates, a proper diversification of maturities should occur by laddering the fixed income portfolio.

The following schedule reports the fair value and maturities (using the segmented time distribution method) for the Firefighters' Pension Fund investments at April 30, 2015:

Investment Type	Fair Value	Investment Maturities			
		Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
U.S. Treasury Securities	\$ 6,564,230	1,577,796	3,246,711	1,739,723	
Government National Mortgage Association	144,410		1,550	2,701	140,159
Federal Home Loan Mortgage Corporation	636,690		276,438	284,351	75,901
Federal National Mortgage Association	1,665,405		657,835	298,393	709,177
Municipal Bonds	603,375		520,311	83,064	
Corporate Bonds	7,898,085	483,797	3,241,221	3,888,462	284,605
Total	17,512,195	2,061,593	7,944,066	6,296,694	1,209,842
Investments Not Sensitive to Interest Rate Risk -					
Mutual Funds	9,696,709				
Common and Preferred Stock	16,222,811				
Total Investments	\$ 43,431,715				

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

Interest Rate Risk (Cont.)

The Firefighters' Pension Funds' investment policy does not limit investment maturities as a means of managing their exposure to fair value losses arising from increasing interest rates. The objective is the preservation of capital while providing for the long-term growth of principal without undue exposure to risk.

Credit Risk

The Firefighters' Pension Fund's policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provision of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality, i.e., at the time of purchases, rated no lower than "Baa3" by Moody's. The Board, at its discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate.

Credit ratings for the Firefighters' Pension Fund's investments in debt securities as described by Standard & Poor's and Moody's at April 30, 2015, are as follows:

<u>Investment Type</u>	<u>Standard and Poor's Rating</u>	<u>Moody's Rating</u>
U.S. Treasury Securities	N/A	AAA/Aaa
Government National Mortgage Association	N/A	N/A
Federal Home Loan Mortgage Corporation	N/A	AAA/Aaa
Federal National Mortgage Association	N/A	AAA/Aaa
Municipal Bonds	N/A	Aa2 to Aaa
Corporate Bonds	N/A	Baa3 to Aaa

Corporate Bond investments held by the Firefighters' Pension Fund are each individually rated greater than "Baa3" by Standard and Poor's.

Custodial Credit Risk

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

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

Net Pension Liability

The components of the net pension liability of the Firefighters' Pension Fund as of April 30, 2015, calculated in accordance with GASB Statement No. 67 were as follows:

Total Pension Liability	\$ 84,806,750
Plan Fiduciary Net Position	46,719,291
Village's Net Pension Liability	38,087,459
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	55.09%

See the Schedule of Changes in Employer's Net Pension Liability and related ratios in the Required Supplementary Information for additional information related to the funded status of the Firefighters' Pension Fund.

Actuarial Assumptions

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

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary Increases	5.00%
Discount Rate	7.50%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market

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

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Firefighters' Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below represents the pension liability of the Village calculated using the discount rate of 7.50% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%) or one percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	\$ 49,421,404	38,087,459	28,673,011

B. Significant Investments

It is the policy of the Police Pension and Firefighters' Pension Funds to diversify their investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in overconcentration in a security, maturity, issuer or class of securities. According to the Pension Funds' investment policy, the Pension Funds will diversify their investments by security type and institution.

At April 30, 2015, the Police Pension Fund's investments (other than U.S. government and U.S. government-guaranteed obligations) include a T Rowe Price and Vanguard 500 Index Mutual Fund, each of which represents 5% or more of each plan's net position.

At April 30, 2015, the Firefighters' Pension Fund's investments (other than U.S. government and U.S. government-guaranteed obligations) include a Cohen & Steers Institutional Mutual Fund, which represents 5% or more of each plan's net position.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

C. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	December 31, 2014	April 30, 2015	April 30, 2015
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Asset Valuation Method	Market Value	Market Value	Market Value
Amortization Method	Level Percentage of Projected Payroll - Open Basis	Level Percentage of Projected Payroll - Closed Basis	Level Percentage of Projected Payroll - Closed Basis
Significant Actuarial Assumptions			
(a) Remaining Amortization Period	29 Years	26 Years	26 Years
(b) Rate of Return on Investment of Present and Future Assets	7.50% Compounded Annually	7.50% Compounded Annually	7.50% Compounded Annually
(c) Projected Salary Increases - Attributable to Inflation	4.00% Compounded Annually	5.00% Compounded Annually	5.00% Compounded Annually
(d) Additional Projected Salary Increases - Attributable to Seniority/Merit	0.4% to 10.0%	<i>(Note: Separate Information for (c) and (d) not available)</i>	
(e) Postretirement Benefit Increases	3.00%	3.00% Compounded Annually	3.00% Compounded Annually

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

C. Annual Pension Costs (Cont.)

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

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension	Total
Annual Required Contribution	\$ 1,132,468	3,090,537	2,622,349	6,845,354
Interest on the NPO	12,237	296,475	465,463	774,175
Adjustments to the ARC	(8,747)	(200,153)	(314,238)	(523,138)
Annual Pension Cost	1,135,958	3,186,859	2,773,574	7,096,391
Contributions Made	1,132,468	2,976,417	2,548,067	6,656,952
Increase in the Net Pension Obligation	3,490	210,442	225,507	439,439
Net Pension Obligation at May 1	163,154	3,953,005	6,206,179	10,322,338
Net Pension Obligation at April 30	\$ 166,644	4,163,447	6,431,686	10,761,777

For the SLEP Plan, the annual pension cost was \$54,988 for the calendar year 2014. The required contribution for 2014 was determined as part of the December 31, 2012 actuarial valuation using the entry age normal actuarial cost method.

The NPO at April 30, 2015, has been calculated as follows:

	Fiscal Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost	2015	\$ 1,135,958	3,186,859	2,773,574
	2014	1,282,397	2,721,032	2,431,778
	2013	1,463,392	2,622,948	2,273,639
Percent Contributed	2015	99.69%	93.40%	91.87%
	2014	99.74%	65.20%	55.80%
	2013	100.00%	63.60%	55.40%
Net Pension Obligation	2015	166,644	4,163,447	6,431,686
	2014	163,154	3,953,005	6,206,179
	2013	159,738	3,005,277	5,132,270

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

D. Funded Status

Illinois Municipal Retirement

As of December 31, 2014, the most recent actuarial valuation date, the Regular Plan was 85.01% funded. The actuarial accrued liability for benefits was \$34,140,341 and the actuarial value of assets was \$29,022,466, resulting in underfunded actuarial accrued liability (UAAL) of \$5,117,875. The covered payroll (annual payroll of active employees covered by the plan) was \$9,313,059 and the ratio of the UAAL to the covered payroll was 54.95%. In conjunction with the December 2013 actuarial valuation, the market value of investments was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

As of December 31, 2014, the most recent actuarial valuation date, the SLEP Plan was 0.00% funded. Actuarial accrued liability was \$115,125 and actuarial value of assets was \$(333,700), resulting in an underfunded actuarial liability of \$448,825. The covered payroll (annual payroll of active employees covered by the plan) was \$0 and the ratio of the UAAL to covered payroll was 0.00%.

Police Pension

As of April 30, 2015, the most recent data available, the Police Pension Plan was 52.03% funded. The actuarial accrued liability was \$107,751,266 and the actuarial value of assets was \$56,061,506, resulting in an underfunded actuarial accrued liability of \$51,689,760. The covered payroll for fiscal 2015 was \$10,650,577 and the ratio of the UAAL to covered payroll was thus 485.30%.

Firefighters' Pension

As of April 30, 2015, the most recent actuarial valuation date, the Firefighters' Pension Plan was 55.09% funded. The actuarial accrued liability was \$84,806,750 and the actuarial value of assets was \$46,719,291, resulting in an underfunded actuarial accrued liability of \$38,087,459. The covered payroll for fiscal 2015 was \$7,685,026 and the ratio of the UAAL to covered payroll was thus 495.60%.

The Schedules of Funding Progress for the Regular, SLEP, Police, and Firefighters' plans, presented as Required Supplementary Information following the Notes to the Financial Statements, present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

E. Summary of Significant Accounting Policies and Plan Asset Matters

Police Pension and Firefighters' Pension

i. Basis of Accounting

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

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

E. Summary of Significant Accounting Policies and Plan Asset Matters (Cont.)

Police Pension and Firefighters' Pension (Cont.)

ii. Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. Investment income is recognized as earned.

Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date. Equity securities are reported at cost subject to adjustment for market declines judged to be other than temporary (lower of cost or market).

iii. Related Party Transactions

There are no securities of the employer or any other related parties included in plan assets, including any loans.

F. Significant Actuarial Assumption

Police Pension and Firefighters' Pension

The actuarial cost method for the above plans is entry age normal and the amortization method is a level percentage of payroll, closed period. The asset valuation method is fair market value.

G. Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Six-year trend information may be found in the required supplemental information section of the government's annual financial report.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

10. Employee Retirement Systems (Cont.)

H. Summarized Pension Fund Financial Information

	Police Pension	Firefighters' Pension	Total
Assets			
Cash, Cash Equivalents and Investments	\$ 53,797,962	44,812,536	98,610,498
Interest Receivable	280,802	139,863	420,665
Due from Village	1,995,214	1,793,018	3,788,232
Total Assets	56,073,978	46,745,417	102,819,395
Liabilities	12,471	26,126	38,597
Net Position, Restricted for Pensions	\$ 56,061,507	46,719,291	102,780,798
Additions			
Contributions			
Employer	\$ 2,976,417	2,548,066	5,524,483
Plan Members	1,158,172	757,675	1,915,847
	4,134,589	3,305,741	7,440,330
Investment Income			
Interest, Dividends and Net Appreciation in Fair Value of Investments	3,647,792	2,190,989	5,838,781
Investment Fees	(235,421)	(223,227)	(458,648)
	3,412,371	1,967,762	5,380,133
Total Additions	7,546,960	5,273,503	12,820,463
Deductions			
Administration	84,669	53,816	138,485
Pension Benefits and Refunds	3,536,744	3,367,963	6,904,707
Total Deductions	3,621,413	3,421,779	7,043,192
Net Increase in Net Position	3,925,547	1,851,724	5,777,271
Net Position, Restricted for Pensions			
May 1	52,135,960	44,867,567	97,003,527
April 30	\$ 56,061,507	46,719,291	102,780,798

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

11. Other Post-Employment Benefits

Health Insurance Plan for Retired Employees

The Village provides limited healthcare insurance coverage for its eligible retired employees. The Village accounts for the plan in the government-wide financial statements. The plan does not issue a stand-alone financial report. The Fund pays 100% of the health insurance premium to age 65 for qualified members.

As of April 30, 2015, (consistent with the actuarial valuation date), the Health Insurance Plan for Retired Employees membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but Not Yet Receiving Them	72
Terminated Plan Members Entitled to but Not Yet Receiving Them	0
Active Plan Members	<u>227</u>
Total	<u>299</u>

Summary of Significant Accounting Policies

Contributions - The Village contributes at an annual rate of 3.30% as determined by an enrolled actuary. The plan members are required to contribute an amount established by collective bargaining agreements with the employer's union employees. Current employee contribution rates are 1.25% for Police and Fire personnel and 1.00% for all non-emergency personnel. By the year 2039, the Village contributions must accumulate to the point where the past service cost is fully funded.

Annual OPEB Costs and Net OPEB Obligation

The Village had an actuarial valuation performed for the plan as of April 30, 2015, to determine the funded status of the plan as of that date, as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2015. The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 was as follows:

Fiscal Year End	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributions	Net OPEB Obligation
April 30, 2015	\$ 3,289,875	1,485,266	45.1%	8,812,365
April 30, 2014	2,905,366	1,386,779	47.7%	7,007,756
April 30, 2013	2,928,130	1,272,274	43.5%	5,489,169

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

11. Other Post-Employment Benefits (Cont.)

Health Insurance Plan for Retired Employees (Cont.)

Annual OPEB Costs and Net OPEB Obligation (Cont.)

The net OPEB Obligation (NOPEBO) at April 30 2015, was calculated as follows:

Annual Required Contribution	\$ 3,386,218
Interest on Net OPEB Obligation	315,349
Adjustment to Annual Required Contribution	<u>(411,692)</u>
Annual OPEB Cost	3,289,875
Contributions Made	<u>1,485,266</u>
Increase in Net OPEB Obligation	1,804,609
Net OPEB Obligation, May 1	<u>7,007,756</u>
Net OPEB Obligation, April 30	<u><u>\$ 8,812,365</u></u>

Funded Status and Funding Progress

The funded status of the plan as of April 30 2015, was as follows:

Actuarial Accrued Liability (AAL)	\$ 34,224,258
Actuarial Value of Plan Assets	
Unfunded Actuarial Accrued Liability (UAAL)	34,224,258
Funded Ratio (Actuarial Value of Plan Assets/AAL)	
Covered Payroll (Active Plan Members)	20,773,202
UAAL as a Percentage of Covered Payroll	164.8%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARCs of the employer are subject to continual revision as actuarial results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as Required Supplementary Information following the Notes to the Financial Statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

11. Other Post-Employment Benefits (Cont.)

Health Insurance Plan for Retired Employees (Cont.)

Annual OPEB Costs and Net OPEB Obligation (Cont.)

In the April 30, 2015 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included 4.5% investment rate of return (net of administrative expenses) and an initial annual healthcare cost trend rate of 9% reduced to an ultimate rate of 5% after five years. Both rates include a 2.5% inflation assumption. 100% of employees are projected to elect the benefit, and a 3% annual salary increase is used. The actuarial value of assets was \$0. The plan's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis. The remaining amortization period at April 30, 2015, was 30 years.

12. Asset Swap with Illinois-American Water Company

During fiscal year 2003, the Village completed an asset swap agreement with Illinois-American Water Company. Under the terms of the agreement, the Village relinquished its rights to its water capital assets in exchange for the rights to Illinois-American Water Company's sewer capital assets. This activity was represented as both additions and deletions to the capital assets. In addition to the sewer assets, the Village received scheduled cash payments from Illinois-American Water Company through fiscal year 2014. These payments have been made in full in prior fiscal years.

In further consideration for the conveyance of the water system, Illinois-American Water Company will pay the Village \$550 for each new water customer who connects to the system and resides in the Village. The total number of payments will not exceed 8,000 connections. Illinois-American Water Company made a minimum payment to the Village equal to 500 new customers each year until fiscal year 2008. If the actual number of connections is less than 500, the excess can be used to reduce payments after fiscal year 2008.

13. Future Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following pronouncements, which are expected to have a material impact on the Village's financial statements in future periods:

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27*. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and Statement No. 50, *Pension Disclosures, an amendment of GASB Statements No. 25 and No. 27*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. Statement No. 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information. The provisions of this Statement are effective for the Village's fiscal year ending April 30, 2016. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an Amendment of GASB Statement No. 68*. This Statement is an amendment of GASB Statement No. 68, was issued to eliminate the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of Statement 68 in the accrual-basis financial statements of employers and non-employer contributing entities. The Village is required to implement this Statement for the fiscal year ending April 30, 2016.

VILLAGE OF BOLINGBROOK, ILLINOIS

Notes to the Financial Statements
April 30, 2015

13. Future Pronouncements (Cont.)

Statement No. 72, *Fair Value Measurement and Application*. This Statement was issued to enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. The Village is required to implement this Statement for the fiscal year ending April 30, 2017.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement revises existing standards of financial reporting for postemployment benefits other than pensions. This Statement replaces the requirements of Statement Nos. 45 and 57. The Village will be required to implement this Statement for the fiscal year ending April 30, 2019.

14. Restatements

The Village has restated compensated absences balances as of May 1, 2014. The restatement reduces an overaccrual of compensated absences at April 30, 2014, caused by accruing amounts in excess of those allowed as maximum payouts by the Village. The restated balances for Governmental Activities as of May 1, 2014, are as follows:

	Balances April 30, 2014	Restatement	Balances May 1, 2014
Compensated Absences	\$ 6,758,569	(1,015,637)	5,742,932
Net Position	154,130,213	1,015,637	155,145,850

The effect of the change of net position related to this restatement for fiscal year 2014 is a decrease of \$44,161.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplemental Information

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

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues				
Taxes	\$ 15,624,886	16,066,903	18,518,644	2,451,741
Licenses and Permits	1,492,450	1,492,450	2,384,970	892,520
Charges for Services	3,611,752	3,611,752	5,924,073	2,312,321
Fines and Forfeitures	1,098,637	1,098,637	1,249,039	150,402
Contributions	602,000	602,000	1,294,477	692,477
Intergovernmental	39,635,109	39,809,837	42,934,513	3,124,676
Interest	15,600	15,600	82,605	67,005
Miscellaneous	89,000	91,000	118,199	27,199
Total Revenues	62,169,434	62,788,179	72,506,520	9,718,341
Expenditures				
Current				
General Government	8,646,741	8,949,616	9,078,682	129,066
Public Safety	37,566,891	37,939,383	36,901,473	(1,037,910)
Highways and Streets	7,516,370	8,047,118	7,475,119	(571,999)
Culture and Recreation	3,342,052	3,793,569	3,666,593	(126,976)
Economic Development	4,807,500	4,807,500	5,670,681	863,181
Total Expenditures	61,879,554	63,537,186	62,792,548	(744,638)
Excess (Deficiency) of Revenues over Expenditures	289,880	(749,007)	9,713,972	10,462,979
Other Financing Sources (Uses)				
Sale of Assets	10,000	10,000	38,429	28,429
Transfers In	57,115	57,115		(57,115)
Transfers Out	(357,000)	(142,000)	(142,000)	
Total Other Financing Sources (Uses)	(289,885)	(74,885)	(103,571)	(28,686)
Net Change in Fund Balance	\$ (5)	(823,892)	9,610,401	10,434,293
Fund Balance				
May 1			<u>29,909,574</u>	
April 30			<u>39,519,975</u>	

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplemental Information

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Refuse and Recycling Fund
Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues			
Taxes	\$ 5,233,096	4,633,063	(600,033)
Interest		414	414
Total Revenues	<u>5,233,096</u>	<u>4,633,477</u>	<u>(599,619)</u>
Expenditures			
Current			
Sanitation	<u>5,233,096</u>	<u>5,319,429</u>	<u>86,333</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>(685,952)</u>	<u>(685,952)</u>
Fund Balance			
May 1		<u>1,383,910</u>	
April 30		<u><u>697,958</u></u>	

VILLAGE OF BOLINGBROOK, ILLINOIS

Note to the Required Supplementary Information
April 30, 2015

Legal Compliance and Accountability

Budgets

All departments of the Village submit requests for appropriation to the Village's Budget Manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service (except the Westside Storm Sewer Management Fund), Waterworks and Sewerage, Golf Course and Pension Trust Funds. Budgets are adopted on a basis consistent with generally accepted accounting principles.

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. The Budget Officer is authorized to transfer budgeted amounts between departments within any fund; however, the governing body must approve any revisions that alter the total expenditures of any fund.

The Budget Officer is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body.

The budget may be amended by the Village Board of Trustees.

Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, (except the Westside Storm Sewer Management Fund), Waterworks and Sewerage, Golf Course, Internal Service and Pension Trust Funds. All annual appropriations lapse at fiscal year-end.

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, supplementary appropriations were approved in various funds. In addition, expenditures exceeded appropriations the Refuse and Recycling Fund in the amount of \$86,333.

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Illinois Municipal Retirement Fund

Schedule of Funding Progress

April 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
12/31/2014	\$ 29,022,466	34,140,341	5,117,875	85.01%	9,313,059	54.95%
12/31/2013	27,123,644	32,819,642	5,695,998	82.64%	10,062,794	56.60%
12/31/2012	26,401,727	32,555,514	6,153,787	81.10%	9,749,450	63.12%
12/31/2011	23,527,172	30,719,257	7,192,085	76.59%	9,862,157	72.93%
12/31/2010	22,843,707	29,204,429	6,360,722	78.22%	10,783,026	58.99%
12/31/2009	23,256,098	29,352,976	6,096,878	79.23%	11,936,820	51.08%

On a market basis, the actuarial value of assets as of December 31, 2014, is \$33,954,720. On a market basis, the funded ratio would be 99.46%.

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

IMRF Sheriff's Law Enforcement Personnel Fund

Schedule of Funding Progress

April 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
12/31/2014	\$ (333,700)	115,125	448,825	0.00%		0.00%
12/31/2013	(362,791)	105,198	467,989	0.00%		0.00%
12/31/2012	(420,026)	98,729	518,755	0.00%		0.00%
12/31/2011	(432,349)	92,788	525,137	0.00%		0.00%
12/31/2010	(420,842)	81,983	502,825	0.00%		0.00%
12/31/2009	(396,031)	76,334	472,365	0.00%	105,747	0.00%

On a market basis, the actuarial value of assets as of December 31, 2014, is \$(263,079). On a market basis, the funded ratio would be 0.00%.

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Police Pension Fund

Schedule of Funding Progress

April 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
4/30/2015	\$ 56,061,506	107,751,266	51,689,760	52.03%	10,650,577	485.32%
4/30/2014	51,982,153	95,362,630	43,380,477	54.51%	10,314,129	420.59%
4/30/2013	49,552,385	90,286,019	40,733,634	54.88%	10,553,738	385.96%
4/30/2012	46,625,166	81,342,068	34,716,902	57.32%	9,880,330	351.37%
4/30/2011	44,989,343	76,723,174	31,733,831	58.64%	9,937,854	319.32%
4/30/2010	41,647,408	72,059,344	30,411,936	57.80%	9,873,606	308.01%

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Firefighters' Pension Fund

Schedule of Funding Progress

April 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
4/30/2015	\$ 46,719,291	84,806,750	38,087,459	55.09%	7,685,026	495.61%
4/30/2014	44,738,115	76,990,168	32,252,053	58.11%	7,558,524	426.70%
4/30/2013	42,789,299	72,193,319	29,404,020	59.27%	7,390,704	397.85%
4/30/2012	40,530,193	66,309,081	25,778,888	61.12%	7,237,771	356.17%
4/30/2011	40,129,190	62,813,300	22,684,110	63.89%	7,084,251	320.20%
4/30/2010	36,292,563	58,958,918	22,666,355	61.56%	7,249,181	312.67%

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Other Post-Employment Benefits

Schedule of Funding Progress

April 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
4/30/2015	\$	34,224,258	34,224,258	0.00%	20,773,202	164.75%
4/30/2014		31,315,316	31,315,316	0.00%	20,800,176	150.55%
4/30/2013		30,080,189	30,080,189	0.00%	20,194,345	148.95%
4/30/2012		27,845,244	27,845,244	0.00%	20,932,493	133.02%
4/30/2011		19,201,364	19,201,364	0.00%	20,557,521	93.40%
4/30/2010		20,187,594	20,187,594	0.00%	21,365,785	94.49%

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Schedule of Village Contributions

Illinois Municipal Retirement Fund

April 30, 2015

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net Pension Obligation
4/30/2015	\$ 1,132,468	1,132,468	100%	166,644
4/30/2014	1,278,981	1,278,981	100%	163,154
4/30/2013	1,463,392	1,463,392	100%	159,738
4/30/2012	1,283,500	1,309,694	98%	156,393
4/30/2011	1,246,087	1,384,541	90%	133,710
4/30/2010	1,230,686	1,230,686	100%	

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Schedule of Village Contributions

Sheriff's Law Enforcement Personnel

April 30, 2015

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
4/30/2015	\$ 54,988	54,988	100.00%
4/30/2014	55,665	55,665	100.00%
4/30/2013	39,980	39,980	100.00%
4/30/2012			100.00%
4/30/2011			100.00%
4/30/2010			100.00%

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Schedule of Village Contributions

Police Pension Fund

April 30, 2015

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered - Employee Payroll	Contributions as a Percentage of Covered - Employee Payroll
2015	\$ 3,090,537	2,976,417	(114,120)	10,650,577	27.95%

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net Pension Obligation (Asset)
4/30/2015	\$ 2,976,417	3,090,537	96.31%	4,163,447
4/30/2014	1,773,304	2,643,917	67.07%	3,953,005
4/30/2013	1,667,448	2,622,948	63.57%	3,005,277
4/30/2012	1,393,329	2,846,046	49.00%	2,049,777
4/30/2011	1,358,856	2,830,272	48.00%	597,060
4/30/2010	1,683,203	2,194,528	76.70%	(874,356)

The information directly above is presented in accordance with GASB Statement No. 27. The information was determined as part of the actuarial valuation of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal, the amortization percentage was level percent of pay, closed and the amortization period was 26 years; the asset valuation method was at market value and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 5.00% compounded annually.

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	5.00%
Investment Rate of Return	7.50%
Retirement Age	50-70
Mortality	Mortality rates were based on the RP-2000 Combined Healthy Mortality Table.

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the enactment of this pronouncement are not available to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Schedule of Village Contributions

Firefighters' Pension Fund

April 30, 2015

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered - Employee Payroll	Contributions as a Percentage of Covered - Employee Payroll
2015	\$ 2,622,349	2,548,066	(74,283)	7,685,026	33.16%

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net Pension Obligation
4/30/2015	\$ 2,548,067	2,622,349	97.17%	6,431,686
4/30/2014	1,357,869	2,300,086	59.04%	6,206,179
4/30/2013	1,259,475	2,273,639	55.40%	5,132,270
4/30/2012	1,125,148	2,501,522	45.00%	4,118,106
4/30/2011	1,088,496	2,513,305	43.30%	2,741,732
4/30/2010	1,408,601	1,929,590	73.00%	1,316,923

The information directly above is presented in accordance with GASB Statement No. 27. The information was determined as part of the actuarial valuation of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal, the amortization percentage was level percent of pay, closed and the amortization period was 26 years; the asset valuation method was at market value and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 5.00% compounded annually.

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	5.00%
Investment Rate of Return	7.50%
Retirement Age	50-70
Mortality	Mortality rates were based on the RP-2000 Combined Healthy Mortality Table.

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the enactment of this pronouncement are not available to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Schedule of Village Contributions

Other Post-Employment Benefits

April 30, 2015

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net OPEB Obligation
4/30/2015	\$ 1,485,266	3,289,875	45.20%	8,812,365
4/30/2014	1,386,779	2,905,366	47.70%	7,007,756
4/30/2013	1,272,274	2,928,130	43.50%	5,489,169
4/30/2012	737,580	1,536,176	48.00%	3,833,313
4/30/2011	737,580	1,754,022	42.10%	3,034,717
4/30/2010	738,378	1,737,359	42.50%	2,018,275

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Schedule of Changes in Village's Net Pension Liability and Related Ratios

Police Pension Fund

April 30, 2015

Total Pension Liability	
Service Cost	\$ 2,066,132
Interest on the Total Pension Liability	7,019,569
Differences Between Expected and Actual Experience	1,416,533
Changes of Assumptions	5,423,146
Benefit Payments	<u>(3,536,744)</u>
Net Change in Total Pension Liability	12,388,636
Total Pension Liability - Beginning of Period	<u>95,362,630</u>
Total Pension Liability - End of Period	<u>\$ 107,751,266</u>
Plan Fiduciary Net Position	
Contributions - Employer	2,976,417
Contributions - Members	1,158,171
Net Investment Income	3,566,179
Benefit Payments	(3,536,744)
Administrative Expense	<u>(84,670)</u>
Net Change in Plan Fiduciary Net Position	4,079,353
Plan Net Position - Beginning of Period	<u>51,982,154</u>
Plan Net Position - End of Period	<u>\$ 56,061,507</u>
Employer's Net Pension Liability	<u>\$ 51,689,759</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.03%
Covered Employee Payroll	\$ 10,650,577
Employer's Net Pension Liability as a Percentage of Covered Employee Payroll	485.32%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Schedule of Changes in Village's Net Pension Liability and Related Ratios

Firefighters' Pension Fund

April 30, 2015

Total Pension Liability	
Service Cost	\$ 1,879,783
Interest on the Total Pension Liability	5,647,964
Differences Between Expected and Actual Experience	534,324
Changes of Assumptions	3,122,475
Benefit Payments	<u>(3,367,964)</u>
Net Change in Total Pension Liability	7,816,582
Total Pension Liability - Beginning of Period	<u>76,990,168</u>
Total Pension Liability - End of Period	<u>\$ 84,806,750</u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 2,548,066
Contributions - Members	757,675
Net Investment Income	1,967,762
Benefit Payments	(3,367,963)
Administrative Expense	<u>(53,816)</u>
Net Change in Plan Fiduciary Net Position	1,851,724
Plan Net Position - Beginning of Period	<u>44,867,567</u>
Plan Net Position - End of Period	<u>\$ 46,719,291</u>
Employer's Net Pension Liability	<u>\$ 38,087,459</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	55.09%
Covered Employee Payroll	7,685,026
Employer's Net Pension Liability as a Percentage of Covered Employee Payroll	495.61%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Schedule of Investment Returns

Police Pension

April 30, 2015

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	6.51%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

VILLAGE OF BOLINGBROOK, ILLINOIS

Required Supplementary Information

Schedule of Investment Returns

Firefighters' Pension

April 30, 2015

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	4.59%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

COMBINING FINANCIAL STATEMENTS

GOVERNMENTAL FUND TYPES

**NONMAJOR GOVERNMENTAL FUNDS –
COMBINING STATEMENTS**

VILLAGE OF BOLINGBROOK, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

April 30, 2015

	Special Revenue Funds			
	Motor Fuel Tax Fund	Community Development Block Grant Fund	911 Emergency Fund	Road and Bridge Fund
Assets				
Cash, Cash Equivalents and Investments	\$ 8,877,561	274,738	620,373	23,455
Property Taxes Receivable				12,409
Accounts Receivables, Net of Allowances	87,789			
Accrued Interest Receivable	6,353			
Intergovernmental Receivable	330,848			
Advances to Other Funds	20,751		212,972	
Total Assets	\$ 9,323,302	274,738	833,345	35,864
Liabilities				
Accounts Payable	\$ 54,267		53,811	
Accrued Payroll	13,069			
Advances from Other Funds	1,135,065	3,360		377,731
Other Payables				
Other Liabilities		301,237		
Total Liabilities	1,202,401	304,597	53,811	377,731
Deferred Inflows of Resources				
Unavailable Property Taxes				
Fund Balance				
Restricted for				
Streets	8,120,901			
Public Safety			779,534	
Debt Service				
Capital Projects				
Unassigned		(29,859)		(341,867)
Total Fund Balances	8,120,901	(29,859)	779,534	(341,867)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 9,323,302	274,738	833,345	35,864

Debt Service Fund	Capital Projects Funds		
			East Side Special Service Area Fund
1995 Beaconridge TIF Bond Fund	1988 Bond Fund	2002 Bond Fund	
4,964,120	624,777	579,559	782,553
916,712			
64,338			
5,945,170	624,777	579,559	782,553
		(1)	
	367,287 144,775	1,983,515	
-	512,062	1,983,514	-
895,381			
5,049,789	112,715		782,553
		(1,403,955)	
5,049,789	112,715	(1,403,955)	782,553
5,945,170	624,777	579,559	782,553

(Cont.)

VILLAGE OF BOLINGBROOK, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet (Cont.)

April 30, 2015

	Capital Projects Funds			
	Mortgage Revenue Capital Improvement Fund	Westside Storm Sewer Management Fund	1997 Bond Fund	2004 Bond Fund
Assets				
Cash, Cash Equivalents and Investments	\$ 1,013,838	170,652	29,012	1,729,991
Property Taxes Receivable				
Accounts Receivables, Net of Allowances				
Accrued Interest Receivable				
Intergovernmental Receivable				
Advances to Other Funds				294,238
Total Assets	\$ 1,013,838	170,652	29,012	2,024,229
Liabilities				
Accounts Payable	\$			
Accrued Payroll				
Advances from Other Funds				82,596
Other Payables				
Other Liabilities				
Total Liabilities	-	-	-	82,596
Deferred Inflows of Resources				
Unavailable Property Taxes				
Fund Balance				
Restricted for				
Streets				
Public Safety				
Debt Service				
Capital Projects	1,013,838	170,652	29,012	1,941,633
Unassigned				
Total Fund Balances	1,013,838	170,652	29,012	1,941,633
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,013,838	170,652	29,012	2,024,229

Capital Projects Funds		
2006 A & B Bond Fund	Capital Improvement Fund	Total Nonmajor Government Funds
6,349,615	20	26,040,264
		12,409
		1,004,501
		6,353
		330,848
		592,299
<u>6,349,615</u>	<u>20</u>	<u>27,986,674</u>
771,712		879,789
		13,069
1,157,081		5,106,635
		144,775
		301,237
<u>1,928,793</u>	<u>-</u>	<u>6,445,505</u>
		895,381
		8,120,901
		779,534
		5,049,789
4,420,822	20	8,471,245
		(1,775,681)
<u>4,420,822</u>	<u>20</u>	<u>20,645,788</u>
<u>6,349,615</u>	<u>20</u>	<u>27,986,674</u>

VILLAGE OF BOLINGBROOK, ILLINOIS

Nonmajor Governmental Funds

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

	Special Revenue Funds			
	Motor Fuel Tax Fund	Community Development Block Grant Fund	911 Emergency Fund	Road and Bridge Fund
Revenues				
Taxes				24,031
Charges for Services	\$ 97,651		110,001	
Intergovernmental	2,523,516	(22,372)		
Interest	43,224	42	766	
Total Revenues	<u>2,664,391</u>	<u>(22,330)</u>	<u>110,767</u>	<u>24,031</u>
Expenditures				
Current				
Public Safety		3,362	543,284	
Highways and Streets	2,162,426			
Capital Outlay				
Debt Service				
Principal Payments				
Interest Payments				
Total Expenditures	<u>2,162,426</u>	<u>3,362</u>	<u>543,284</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	501,965	(25,692)	(432,517)	24,031
Other Financing Sources				
Transfers In			142,000	
Net Change in Fund Balances	501,965	(25,692)	(290,517)	24,031
Fund Balance				
May 1	<u>7,618,936</u>	<u>(4,167)</u>	<u>1,070,051</u>	<u>(365,898)</u>
April 30	<u>\$ 8,120,901</u>	<u>(29,859)</u>	<u>779,534</u>	<u>(341,867)</u>

Debt Service Fund	Capital Projects Funds			East Side Special Service Area Fund
1995 Beaconridge TIF Bond Fund	1988 Bond Fund	2002 Bond Fund		
81,481				
289	306	(9,904)		75
81,770	306	(9,904)		75
195,000				
11,701				
206,701	-	-		-
(124,931)	306	(9,904)		75
(124,931)	306	(9,904)		75
5,174,720	112,409	(1,394,051)		782,478
5,049,789	112,715	(1,403,955)		782,553

(Cont.)

VILLAGE OF BOLINGBROOK, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (Cont.)
Year Ended April 30, 2015

	Capital Projects Funds			
	Mortgage Revenue Capital Improvement Fund	Westside Storm Sewer Management Fund	1997 Bond Fund	2004 Bond Fund
Revenues				
Taxes	\$			
Charges for Services				
Intergovernmental				
Interest	389	17	2	1,411
Total Revenues	<u>389</u>	<u>17</u>	<u>2</u>	<u>1,411</u>
Expenditures				
Current				
Public Safety				
Highways and Streets				
Capital Outlay				
Debt Service				
Principal Payments				
Interest Payments				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	389	17	2	1,411
Other Financing Sources (Uses)				
Transfers In				
Net Change in Fund Balances	389	17	2	1,411
Fund Balances				
May 1	<u>1,013,449</u>	<u>170,635</u>	<u>29,010</u>	<u>1,940,222</u>
April 30	<u>\$ 1,013,838</u>	<u>170,652</u>	<u>29,012</u>	<u>1,941,633</u>

Capital Projects Funds

2006 A & B Bond Fund	Capital Improvement Fund	Total Nonmajor Government Funds
		105,512
		207,652
		2,501,144
5,919		42,536
5,919	-	2,856,844
		546,646
		2,162,426
790,389		790,389
		195,000
		11,701
790,389	-	3,706,162
(784,470)	-	(849,318)
		142,000
(784,470)		(707,318)
5,205,292	20	21,353,106
4,420,822	20	20,645,788

VILLAGE OF BOLINGBROOK, ILLINOIS

Fiduciary Funds

Combining Statement of Fiduciary Net Position - Pension Trust Funds
April 30, 2015

	Police Pension Fund	Firefighters' Pension Fund	Total
Assets			
Cash and Cash Equivalents	\$ 840,962	1,380,821	2,221,783
Investments			
U.S. Treasury Securities	7,776,072	6,564,230	14,340,302
U.S. Agency Securities	19,426,601	2,446,504	21,873,105
Municipal Bonds	3,534,544	603,375	4,137,919
Corporate Bonds		7,898,086	7,898,086
Mutual Funds	17,868,434	9,696,709	27,565,143
Common and Preferred Stock	4,351,349	16,222,811	20,574,160
Accrued Interest Receivable	280,802	139,863	420,665
Due from Village	1,995,214	1,793,018	3,788,232
Total Assets	56,073,978	46,745,417	102,819,395
Liabilities			
Other Payables	12,471	26,126	38,597
Net Position			
Held in Trust for Pension Benefits	\$ 56,061,507	46,719,291	102,780,798

VILLAGE OF BOLINGBROOK, ILLINOIS

Fiduciary Funds

Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds
Year Ended April 30, 2015

	Police Pension Fund	Firefighters' Pension Fund	Total
Additions			
Contributions			
Employer	\$ 2,976,417	2,548,066	5,524,483
Plan Members	1,158,172	757,675	1,915,847
Total Contributions	<u>4,134,589</u>	<u>3,305,741</u>	<u>7,440,330</u>
Investment Earnings			
Investment Income	3,647,792	2,190,989	5,838,781
Investment Fees	(235,421)	(223,227)	(458,648)
Total Investment Earnings	<u>3,412,371</u>	<u>1,967,762</u>	<u>5,380,133</u>
Total Additions	<u>7,546,960</u>	<u>5,273,503</u>	<u>12,820,463</u>
Deductions			
Benefits and Refunds	3,536,744	3,367,963	6,904,707
Administration	84,669	53,816	138,485
Total Deductions	<u>3,621,413</u>	<u>3,421,779</u>	<u>7,043,192</u>
Change in Net Position	3,925,547	1,851,724	5,777,271
Net Position, Held in Trust for Pension Benefits			
May 1	<u>52,135,960</u>	<u>44,867,567</u>	<u>97,003,527</u>
April 30	<u>\$ 56,061,507</u>	<u>46,719,291</u>	<u>102,780,798</u>

VILLAGE OF BOLINGBROOK, ILLINOIS

Weber Road TIF Agency Fund

Statement of Changes in Assets and Liabilities
April 30, 2015

	Balance at May 1, 2013	Additions	Deletions	Balance at April 30, 2014
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 1,109,346	952,222	1,197,192	864,376
Liabilities				
Current Liabilities				
Due to Developer	\$ 1,109,346	952,222	1,197,192	864,376