



Village of Channahon Comprehensive Annual Financial Report



Fiscal Year Ended
April 30, 2019

Village of Channahon, Illinois
ANNUAL FINANCIAL REPORT
Year Ended April 30, 2019

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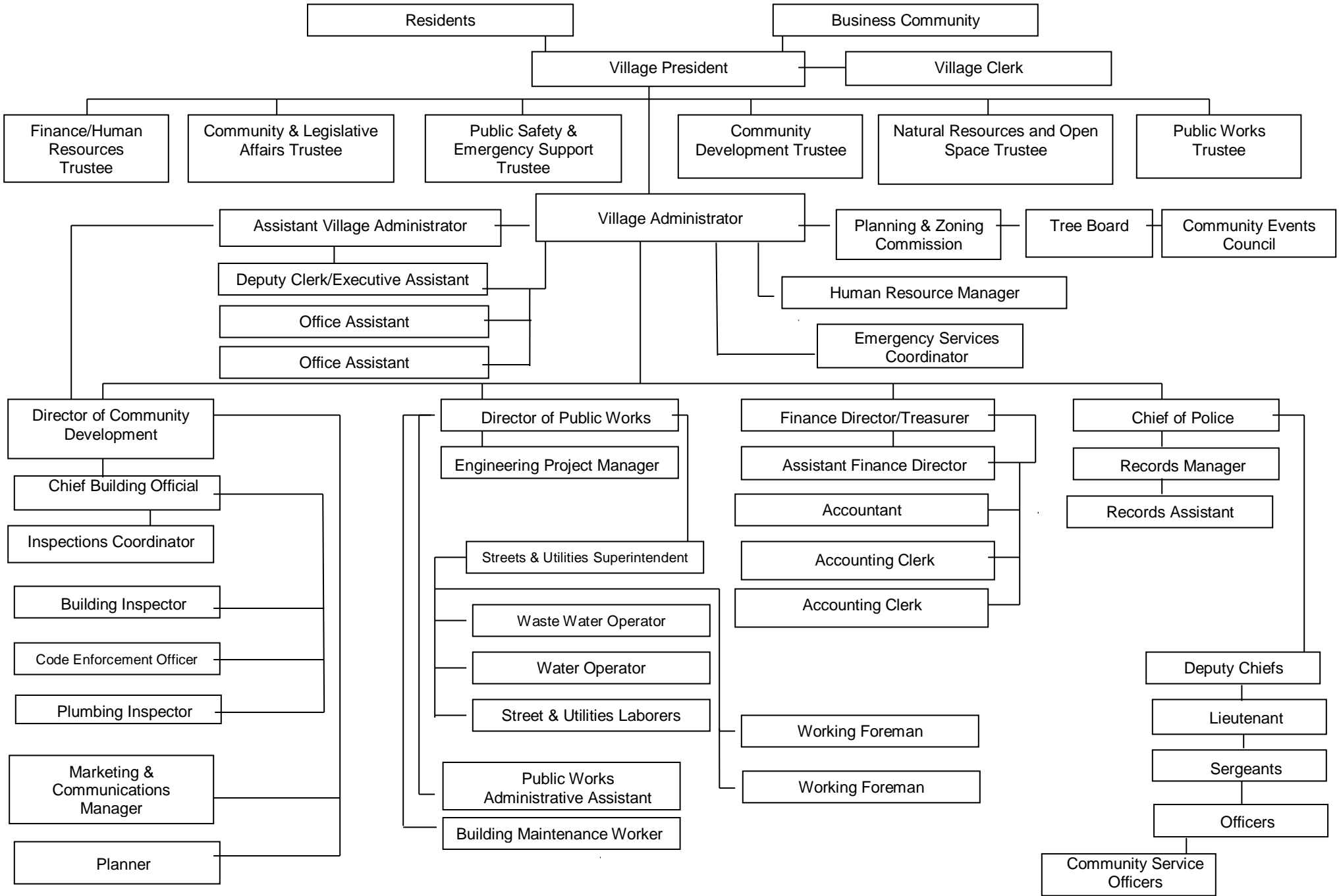
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INTRODUCTORY SECTION

VILLAGE OF CHANNAHON ORGANIZATIONAL CHART



Village of Channahon, Illinois

PRINCIPAL OFFICIALS

Year Ended April 30, 2019

Janet "Missey" Moorman Schumacher, Village President

Thomas J. Durkin, Village Administrator

Heather Wagonblott, Finance Director

Board of Trustees

Sam Greco

Patricia Perinar

Chantal Host

Mark Scaggs

Scott McMillin

Scott Slocum



VILLAGE OF CHANNAHON

24555 S. NAVAJO DRIVE • CHANNAHON, ILLINOIS 60410-3334
(815) 467-6644 • FAX (815) 467-9774 • www.channahon.org

October 16, 2019

To the Honorable Village President, Members of the Village Board
and the Citizens of the Village of Channahon:

The Comprehensive Annual Financial Report of the Village of Channahon, Illinois (Village) for the year ended April 30, 2019 is hereby submitted as mandated by both local ordinances and state statutes. They require that the Village, on an annual basis, report on its financial activity, as well as have an independent firm of certified public accountants audit the report. Responsibility, for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Village. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village's activities have been included.

The Comprehensive Annual Financial Report is presented in three (3) sections: introductory, financial, and statistical. The introductory section includes this letter of transmittal, an organizational chart, and a list of the Village's principal elected and appointed officials. The financial section includes Management's Discussion and Analysis (MD&A), the basic financial statements and the combining and individual fund financial statements as well as the independent auditor's report on the basic financial statements. The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The Village's MD&A can be found immediately following the report of the independent auditors. The statistical section, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.

The Village includes all the funds of the primary government (i.e., the Village of Channahon as legally defined). The Village provides a range of services including administration, police protection, finance, development, code enforcement, construction and maintenance of highways, streets and infrastructure, as well as water and wastewater treatment services.

The Utility Fund, which provides water and wastewater services, is reported as a business-type activity of the Village. In addition, refuse disposal service is treated as a business-type activity due to the business-like nature of its operation.

Governmental Structure, Local Economic Conditions and Outlook

The municipal government, incorporated in 1961, is located in the northeastern part of the state of Illinois. The Village's land area sprawls over approximately 18.8 square miles which covers both Will and Grundy counties. The Village currently has a population of 12,560 as reported by the 2010 U.S. Census results. It is anticipated that the upcoming 2020 U.S. Census will demonstrate a significant increase in the population as a result of the growth in the community over the past decade.

The government is empowered to levy a property tax on real estate property located within its boundaries. The Village also has the power by state statute to extend its corporate limits by annexation, which is done periodically when deemed appropriate by the Village Board.

The Village has operated under the Village Board-Trustee form of government since incorporation. Policymaking and legislative authority are vested in the Village Board, which consists of a Village President and a six-member Board of Trustees. The Village Board sets policy for the Village, adopts ordinances and resolutions, adopts the annual budget and approves all expenditures. Board members are elected to four-year staggered terms. The Village President is elected to a four-year term. The Village President and Board members are elected on a non-partisan basis. The Village Administrator is appointed by the Village Board and is responsible for carrying out the policies and ordinances of the Village Board, and for overseeing the day-to-day operations of the Village. Appointment of the directors of the Village's departments is recommended by the Village Administrator and approved by the Village Board of Trustees.

The most recent data available indicates that the Village's unemployment rate is 4.3%. The Village, located primarily in Will County, has an employed labor force of approximately 357,000 and an unemployment rate of 5.0%.

The Village's general operating budget for fiscal year ended April 30, 2019 was originally adopted to include revenues and expenses netting close to zero or breakeven. The fiscal year 2019 budget included assumptions of minimal transfers from one fund to another. The utilization of fund reserves was anticipated during the budgeting process for various funds. The amended budget that was subsequently adopted for fiscal year 2019 included sufficient revenues to offset the annual expenses. The Village has continued a very conservative and dutiful budgeting process over the years. The Village's financial stability is largely due to the years of conservative budgeting and fiscal responsibility demonstrated by the Village Board and staff.

Major Initiatives

For Fiscal Year 2019

The Village's fiscal responsibility was demonstrated by low debt levels, conservative revenue estimates and mindful expenditures. Despite the uncertainty of the economic climate over the past few years, the Village continued to provide excellent services to the residents while maintaining the property tax rate at the same or a lower level.

Fund reserves remain intact and will continue to be closely monitored and evaluated throughout the upcoming years. The Village continues to pursue development and strategies to encourage additional growth within the community. Diversification of the tax base between commercial, industrial and residential will assist to keep property tax rates at the current or possibly lower rate. Several large industrial park projects have been constructed and a few others are currently under construction. These industrial buildings will provide millions of square feet of industrial space and provide for additional employment opportunities. Several new small businesses have opened within the community and various developers continue to pursue development opportunities.

In addition to continued financial success, the Village was ranked the 13th safest city in America, 6th safest city in Illinois, the 13th best place to raise a family in Illinois and the 2nd healthiest housing market in Illinois.

For the Future

The fiscal year 2018-2019 budget was approved with the anticipation that the economy will continue to improve. Property values increased for the third consecutive year. Uncertainty remains about the potential negative impacts on the Village that could occur by decisions that are made by the State of Illinois. A significant reduction in tax revenue that is provided through the State and is utilized by the Village to fund operations and capital projects continues to be threat through pending legislation.

The Village continues to be confident in the outlook in terms of residential and commercial growth. This has been noted by a significant increase in building within the community over the past four years, the progress and completion of several large development projects and also large development projects that are in the beginning stages. Over 100 new homes were built within the Village during both fiscal years 2018 and 2019. The Village has adopted a policy to move forward with various capital projects that were identified. Such projects include tree replacements, Dove Drive road improvements and the continuation of the Bridge Street Multi-Use Path. In addition, much needed replacement equipment and vehicles were purchased during fiscal year 2019. The development growth the Village is experiencing is a very positive indicator for the future of the growing community.

Financial Information

Management of the Village is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state and local financial assistance, the Village is also responsible for ensuring that an adequate internal control structure is in place in order to document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management and the Village's Finance Department.

The Village maintains extensive budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Village Board. Activities of the General Fund, certain special revenue funds and TIF Funds are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level. However, expenditures at the object level are monitored with great scrutiny. The Village also maintains an encumbrance accounting system as one method of maintaining budgetary control. Outstanding encumbrances are generally included within the current year's budget and financial statements. As demonstrated by the statements and schedules included in the financial section of this report, the Village continues to meet its responsibility for sound financial management.

Pension Trust Fund Operations: At fiscal year end, the Police Pension fund reflects a 63.5% funding level. Under the current pension law, (PA 096-1495), Villages may extend the amortization period over which they can levy the taxes necessary to fully fund the pension fund. Also, under the law, municipalities are required to attain a 90% funding status by 2040. Under the previous pension law, the Village has 16 years remaining to amortize the unfunded liability.

The current law allows an additional 8 years if the Pension Fund and/or Village should choose to do so. We have chosen to go with a 25 years remaining amortization period at this time. The Village's annual contribution to the fund includes an amount actuarially necessary to fund the unfunded portion. The Village is reasonably certain of attaining its fully funded status on or before the State mandated deadline and has retained a private and independent actuarial firm to set the funding arrangements as needed.

Illinois Municipal Retirement Fund: The Illinois Municipal Retirement Fund (IMRF) level of funding by the Village has always been 100% of the required employer rate that is adjusted yearly by IMRF. The rate for calendar year 2018 is 19.21% of payroll for Regular employees and 13.28% for Sheriff's Law Enforcement Personnel (SLEP). The remaining amortization period at December 31, 2018 was 12 years for the Regular plan and 15 years for the SLEP plan.

Other Information

Independent Audit: State statutes require an annual audit by independent certified public accountants. Miller Cooper & Co., Ltd. was selected and approved by the Village Board as the external auditors. Auditing standards generally accepted in the United States of America were used by the auditors in conducting the engagement. The auditor's report on the basic financial statements and on management's discussion and analysis is included in the financial section of this report.

Awards

The Government Financial Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its Comprehensive Annual Financial Report for the fiscal year ended April 30, 2018.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

The Village has received a Certificate of Achievement for fourteen consecutive years, including the latest award for the fiscal year ended April 30, 2018. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we will be submitting the required documentation to the GFOA to determine its eligibility for another certificate.

Acknowledgments

I would like to thank the Finance staff for their attention to detail and dedication to the department and to the Village as a whole. The hard work, efficiency and enthusiasm portrayed by Village staff assists to make the Village a continued success both financially and operationally. The preparation of this report could not have been accomplished without all department's daily assistance and effort towards teamwork. I would like to acknowledge the Village Administrator and the other department staff for their cooperation during the audit process.

Most importantly, I would like to thank Village President Missey Moorman Schumacher and the Board of Trustees for their continued support, commitment and devotion to the employees and residents of the Village of Channahon. Without their leadership and guidance, the Village would not achieve the continued success.

Respectfully submitted,



Heather Wagonblott
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Village of Channahon
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2018

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Village President and Board of Trustees
Village of Channahon, Illinois

Report on the Financial Statements

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 Channahon, Illinois (the Village), as of and for the year ended April 30, 2019, 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

The Village's 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.

Auditors' 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.

(Continued)

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 Channahon, Illinois, as of April 30, 2019, 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 Matter

As discussed in Note P to the financial statements, long-term liabilities and net position of the governmental and business-type activities and Waterworks and Sewerage Fund as of May 1, 2018 have been restated as a result of an adjustment due to the implementation of the Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11, the Illinois Municipal Retirement Fund and Police Pension Fund data on pages 86 through 95, the other postemployment benefits data on page 96, budgetary comparison schedules and notes to the required supplementary information on pages 97 through 99 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Matters (Continued)

Other Information

Our audit for the year ended April 30, 2019 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Channahon, Illinois' basic financial statements. The other schedules listed in the table of contents in the introductory section, the supplementary financial information and the statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information for the year ended April 30, 2019 has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended April 30, 2019 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information for the year ended April 30, 2019 is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended April 30, 2019.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2019, on our consideration of the Village of Channahon, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Channahon, Illinois' internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.

Miller, Cooper & Co., Ltd.

Certified Public Accountants

Deerfield, Illinois
October 16, 2019

VILLAGE OF CHANNAHON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2019
(Unaudited)

Our discussion and analysis of the Village of Channahon's financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2019. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (the "MD&A"). Please read it in conjunction with the Village's financial statements, which begin on page 12.

FINANCIAL HIGHLIGHTS

- Net position of our governmental activities increased by \$1.5 million or 5.3% and net position in our business-type activities increased by \$5.4 million or 16.5%. The end-result amounted to a positive change in the Village's net position of \$6.9 million or 11.3%. The increase for the governmental activities was due to an increase in capital asset additions, an increase in property tax revenue, an increase in interest earned, and a significant reduction in liabilities in the current year.
- The Village's revenues from governmental activities were \$22.2 million, up \$0.4 million from the prior year. Expenses from governmental activities totaled \$19.2 million, up \$1.0 million from the prior year. The slight increase in revenues was due to an increase in property tax revenues and other state taxes. The expenses increased due to the increase in staffing expense and various capital outlay expenditures incurred during the current fiscal year.
- Business-Type revenues increased by approximately \$3.1 million or 63.1%, to \$8.1 million largely due to the transfer-in for payroll expenses. Expenses remained consistent at approximately \$4.2 million.
- Moody's Investors Service reaffirmed the Village's rating of Aa2 in the Annual Issue's Comment report and noted that the Village of Channahon has a very robust and healthy financial position. strong credit position.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position (on pages 12-13) and the Statement of Activities (on pages 14-15) provide information about the activities of the Village as a whole and present a long-term view of the Village's finances. Fund financial statements start on page 16. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds. The remaining statements provide financial information about the activities for which the Village acts solely as a trustee or agent for the benefit of those outside of the government.

The Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities report information about the Village as a whole and about its activities throughout the year. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenditures are taken into account regardless of when cash is received or paid.

These two statements report the Village's net position and the changes in them. The Village's net position is the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. A measurement of the Village's financial health or financial position is the Village's net position. Over time, increases or decreases in the Village's net position is one indication if the Village's financial health is improving or deteriorating. Net position in combination with other non-financial factors, such as changes in the Village's property tax base and the condition of its roads, are used in determining the overall financial health of the Village.

VILLAGE OF CHANNAHON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2019
(Unaudited)

The Village is divided into two kinds of activities for the Statement of Net Position and Statement of Activities:

1. Governmental Activities – Most of the Village's basic services are reported here, including public safety, public works, community development and general administration. Property taxes, state taxes (such as sales, income, local use, and excise taxes), Village taxes (such as home rule sales taxes and gasoline and diesel taxes), franchise fees, state shared revenues and federal grants finance most of these activities.
2. Business-Type Activities – The Village charges fees to customers to help cover all or most of the cost of certain services it provides. The Village's water and sewer system operations and refuse disposal are reported in this fund.

Reporting the Village's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 16 and provide detailed information about the most significant funds – not the Village as a whole. Some funds are required to be established by State law and by bond covenants. However, the Village Board establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants or other money. The Village's two types of funds – governmental and proprietary – use different accounting approaches.

Governmental Funds – Most of the Village's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources than can be spent in the near future to finance the Village's operations and capital projects. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are described in a reconciliation of the fund financial statements.

Proprietary Funds – When the Village charges customers for the services it provides – whether to outside customers or to other units of the Village – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The Village's enterprise fund (a component of proprietary funds) is the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows, for the proprietary fund.

The Village as Trustee

Reporting the Village's Fiduciary Responsibility

The Village is the trustee, or fiduciary, for the Village's Police Pension Plan. All of the Village's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Changes in Plan Net Position on pages 27 and 28. These activities are excluded from the Village's other financial statements because the Village cannot use these assets to finance its operations or utilize these monies in any way.

The Village is responsible for ensuring that the assets reported in this fund are used for their intended purposes.

VILLAGE OF CHANNAHON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2019
(Unaudited)

THE VILLAGE AS A WHOLE

The following is a condensed version of the Statement of Net Position as of April 30, 2019 and 2018:

Table 1
Condensed Statement of Net Position (In
Millions – Rounded)

	Governmental Activities		Business Type Activities		Total Primary Government	
	2019	2018*	2019	2018*	2019	2018*
Assets:						
Current and Other						
Assets	\$ 33.0	\$ 41.0	\$ 7.7	\$ 5.1	\$ 40.7	\$ 46.1
Noncurrent Assets	<u>28.9</u>	<u>26.5</u>	<u>36.4</u>	<u>34.6</u>	<u>65.3</u>	<u>61.1</u>
Total Assets	<u>61.9</u>	<u>67.5</u>	<u>44.1</u>	<u>39.7</u>	<u>106.0</u>	<u>107.2</u>
Deferred Outflows of Resources						
	<u>2.4</u>	<u>0.9</u>	<u>0.5</u>	<u>0.1</u>	<u>2.9</u>	<u>1.0</u>
Liabilities:						
Current						
Liabilities	4.6	10.7	1.3	1.4	5.9	12.1
Noncurrent Liabilities	<u>16.8</u>	<u>16.7</u>	<u>5.2</u>	<u>5.6</u>	<u>22.0</u>	<u>22.3</u>
Total Liabilities	<u>21.4</u>	<u>27.4</u>	<u>6.5</u>	<u>7.0</u>	<u>27.9</u>	<u>34.4</u>
Deferred Inflows of Resources						
	<u>12.7</u>	<u>12.0</u>	<u>0.2</u>	<u>0.2</u>	<u>12.9</u>	<u>12.2</u>
Net Position:						
Net Investment						
in Capital Assets	19.2	18.3	31.3	28.6	50.5	46.9
Restricted	5.1	9.1	-	-	5.1	9.1
Unrestricted	<u>5.9</u>	<u>1.6</u>	<u>6.6</u>	<u>4.0</u>	<u>12.5</u>	<u>5.6</u>
Total Net Position	<u>\$ 30.2</u>	<u>\$ 29.0</u>	<u>\$ 37.9</u>	<u>\$ 32.6</u>	<u>\$ 68.1</u>	<u>\$ 61.6</u>

*As originally reported (see Note P)

**VILLAGE OF CHANNAHON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019
(Unaudited)**

The Village's combined net position increased by \$6.9 million (beginning of year, as restated – See Note P). Current and other assets which consist mainly of cash and investments, property tax receivables, intergovernmental receivables and other receivables, decreased by \$5.4 million. Capital assets includes land, construction in process, land improvements, buildings, equipment, the Village's waterworks and sewerage system, infrastructure and contributed capital. The Village's net capital assets balance increased from \$61.1 million to \$65.3 million in 2019. Deferred outflows of resources included deferred amounts related to pensions.

Long-term liabilities consist mainly of bonds payable, loans payable, net pension liability and salary-related benefits payable. The long-term liabilities balance decreased by \$0.3 million in 2019. Other liabilities include accounts payable and interest payable on debt which decreased by \$6.2 million as a result of significant decreases in accounts payable and debt balances. Deferred inflows of resources include property taxes levied for a future period and deferred amounts related to pensions.

The increase in net position is a result of the increase of various tax revenues, decrease of various significant liabilities and decreasing debt balances.

For the years ended April 30, 2019 and 2018, the Condensed Statement of Activities is as follows:

**Table 2
Condensed Statement of Activities (In
Millions – Rounded)**

	Governmental Activities		Business Type Activities		Total Primary Government	
	2019**	2018*	2019**	2018*	2019**	2018*
Revenues						
Program Revenues:						
Charges for Services	\$ 2.7	\$ 3.6	\$ 5.4	\$ 4.9	\$ 8.1	\$ 8.5
Operating Grants and Contributions	0.4	0.5	-	-	0.4	0.5
Capital Grants and Contributions	1.8	1.0	2.6	-	4.4	1.0
General Revenues:						
Property Taxes	10.2	9.9	-	-	10.2	9.9
Intergovernmental	5.3	5.5	-	-	5.3	5.5
Other Taxes	1.4	1.1	-	-	1.4	1.1
Interest	0.4	0.2	0.1	0.1	0.5	0.3
Total Revenues	22.2	21.8	8.1	5.0	30.3	26.8
Program Expenses:						
General Government	10.5	9.9	-	-	10.5	9.9
Public Safety	3.3	3.1	-	-	3.3	3.1
Community Development	1.1	1.1	-	-	1.1	1.1
Streets and Bridges	4.0	3.8	-	-	4.0	3.8
Interest on Long-Term Debt	0.3	0.3	-	-	0.3	0.3
Waterworks and Sewage	-	-	3.3	3.4	3.30	3.4
Refuse Disposal	-	-	0.9	0.8	0.90	0.8
Total Expenses	19.2	18.2	4.2	4.2	23.4	22.4
Excess (Deficiency)						
Before Transfers	3.0	3.6	3.9	0.8	6.9	4.4
Interfund Transfers	(1.5)	(0.1)	1.5	0.1	-	-
Change in Net Position	1.5	3.5	5.4	0.9	6.9	4.4
Net Position, Beginning	28.7	25.5	32.5	31.7	61.2	57.2
Net Position, Ending	\$ 30.2	\$ 29.0	\$ 37.9	\$ 32.6	\$ 68.1	\$ 61.6

*Amounts presented as originally reported.

**The net position, beginning, was restated due to the implementation of GASB 75.

The table above illustrates a strong financial position for both governmental and business-type activities.

**VILLAGE OF CHANNAHON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019
(Unaudited)**

Governmental Activities

Revenues for the Village's governmental activities increased by \$0.4 million or 1.8% while total expenses increased by \$1.0 million or 5.5%. The increase in revenues was primarily due to the increase in various tax revenues and a significant increase in building permit revenue. Likewise, general government expenses increased due to the increase in capital expenditures as a result of the ongoing capital infrastructure projects.

Table 3 presents the cost of each of the Village's five governmental activity categories – general government, public safety, community development, streets and bridges and interest on long-term debt, as well as each categories' net cost (total cost less revenue generated by the activities). The net cost shows the amount the Village's taxpayers funded through various methods.

The general government category includes general administrative functions as well as various employee benefit programs, the Insurance Fund, the Audit Fund and the TIF District Fund. Public safety includes the police department, the Police Forfeiture Fund and the Police Pension Expense Fund. Streets and Bridges include the streets department, the Motor Fuel Tax Fund and the Motor Fuel Tax Bond Fund.

**Table 3 Governmental
Activities (In Millions –
Rounded)**

	Total Cost of Services		Net Cost of (Surplus from) Services	
	2019	2018	2019	2018
General Government	\$ 10.5	\$ 9.9	\$ 8.3	\$ 6.7
Public Safety	3.3	3.1	3.1	3.0
Community Development	1.1	1.1	1.1	1.1
Streets and Bridges	4.0	3.8	1.5	2.0
Interest on Long-Term Debt	0.3	0.3	0.3	0.3
Total Expenses	\$ 19.2	\$ 18.2	\$ 14.3	\$ 13.1

Business-Type Activities

The Village's business-type activities are comprised of two separate and distinct activities: Water/Wastewater Utility and Refuse Disposal. Business-Type activities revenues increased \$3.1 million during 2019. The increase was due to a transfer-in, an increase in tap on fees and a higher rate of collection related to the charges for services. Expenses remained consistent. The net position increased \$5.3 million which is a significant increase when compared to previous years.

THE VILLAGE'S FUNDS

The General Fund's fund balance increase of \$1.2 million was due to increases in sales tax and property tax revenue as well as additional building permit revenue. The Village's TIF District fund balance had a modest increase of approximately \$25,000. The Bluff Road and I-55 fund balance decreased by \$3.0 million as a result of the capital project incurring a majority of the expenses in fiscal year 2019. The Other Governmental Funds' fund balances decreased \$0.9 million, due largely to capital projects expenses.

**VILLAGE OF CHANNAHON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019
(Unaudited)**

General Fund Budgetary Highlights

Over the course of the year, the Village Board of Trustees revised the Village budget. The budget was revised to take into consideration changes in projected revenues, acceleration or deferral of Village projects, and changes in costs for normal operations. The General Fund's budgeted revenues were \$6.0 million while expenditures were approximately \$9.2 million. The projected budget deficit of approximately \$3.2 million was primarily due to the capital outlay projects expected to be completed during the fiscal year. At the end of the fiscal year, actual revenues minimally exceeded the budgeted amounts due to higher than anticipated State tax revenue and various capital outlay projects not incurring the magnitude of expense as originally anticipated. Actual expenditures were less than budgeted amounts by approximately \$1.7 million due to less than anticipated capital outlay expenditures, salaries and miscellaneous operating expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

During the fiscal year, the Village's net capital assets increased to \$65.2 million. The increase is due to the addition of several large street and water main infrastructure projects. Depreciation expense for 2019 was \$3.8 million. Current year capital asset additions were approximately \$9.4 million. The increase in depreciation expense is due to the aging equipment and infrastructure as well as significant additions to street and water main infrastructure that has been added during the fiscal year and has begun depreciating.

**Table 4
Capital Assets (Net of Depreciation, In Millions)**

	Governmental Activities		Business Type Activities		Total Reporting Entity	
	2019	2018	2019	2018	2019	2018
Land	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.4	\$ 0.4
Construction in Process	1.7	1.3	0.6	1.4	2.3	2.7
Land Improvements	4.0	3.7	-	-	4.0	3.7
Buildings	3.6	3.8	-	-	3.6	3.8
Waterworks and Sewage	-	-	35.4	32.8	35.40	32.8
Equipment	0.8	0.6	0.2	0.2	1.0	0.8
Infrastructure	18.5	16.8	-	-	18.5	16.8
Totals	\$ 28.8	\$ 26.4	\$ 36.4	\$ 34.6	\$ 65.2	\$ 61.0

More detailed information about the Village's capital assets is presented in Note F to the financial statements.

**VILLAGE OF CHANNAHON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019
(Unaudited)**

Debt

Table 5 illustrates the Village's outstanding long-term liabilities as of April 30, 2019. Total debt decreased from \$25.6 million to \$24.9 million.

The Village did not issue any new bonds during the current fiscal year and the annual principal and interest payments were made decreasing the total amount of debt outstanding at year-end.

General Obligation Bonds are debt that is backed by the financial strength of the Village alone. Revenue Bonds are backed by specific fee revenue streams. Infrastructure loans are backed by collateral and the financial strength of the Village.

**Table 5
Outstanding Debt
(In Millions)**

	Governmental Activities		Business Type Activities		Total Reporting Entity	
	2019	2018*	2019	2018*	2019	2018
General Obligation Bonds	\$ 9.2	\$ 10.3	\$ 4.3	\$ 5.1	\$ 13.5	\$ 15.4
Revenue Bonds	0.8	1.5	-	-	0.8	1.5
Infrastructure Loans	-	-	0.8	0.9	0.8	0.9
Net Pension Liabilities	8.3	6.7	0.9	0.5	9.2	7.2
Postemployment Benefit Liability	0.3	0.3	0.1	0.1	0.4	0.4
Compensated Absences	0.2	0.2	-	-	0.2	0.2
Totals	\$ 18.8	\$ 19.0	\$ 6.1	\$ 6.6	\$ 24.9	\$ 25.6

*As restated (see Note P)

The Village's general obligation bond rating for the 2016 Series bonds was Aa2, a rating that has been assigned to the Village by Moody's Investor Service. More detailed information about the Village's long-term debt is presented in Note H to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The following economic factors affected the Village and its residents.

- The Village has seen tremendous growth in new home building over the past few years. Along with a significant increase in residential building, the Village has also been fortunate to see several industrial buildings break ground, complete construction and have businesses occupy the buildings. As a result of the development, various infrastructure capital projects have been started and/or completed. Interest in locating to the Village of Channahon continues to prosper the financial success.
- The Village's overall economic growth has allowed the Village to continue providing residents and businesses with excellent services. The Village has been fortunate to add staff to various departments which has had a positive impact Village-wide.
- The Village has seen an increase in sales tax revenue over the past year. In addition, the State has recently approved additional motor fuel tax funds to be shared with local governments to assist with future street infrastructure and maintenance of the current streets.

**VILLAGE OF CHANNAHON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019
(Unaudited)**

- The unemployment rate for the Village of Channahon was 4.3% versus the State of Illinois average of 3.6%. The U.S. average was 3.4%.

The Village's elected and appointed officials consider many factors when approving the budgets, tax rates and fees that will be charged for business-type activities and residents, including the current state of the economy.

The tax rate (for 2018) was set at 0.7303 per one hundred dollars of equalized assessed valuation (EAV). The Village's assessed valuation was \$466,237,435, which is an increase in the EAV for the third consecutive year. The Village realized an increase of \$195,345 in real estate taxes extended (not including road and bridge tax, which is not assessed by the Village). The actual tax extension for 2018 was \$2,618,149.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Village's finances and to show the Village's accountability for revenue received. If you have any questions about this report or need additional financial information, contact the Director of Finance at the Village of Channahon, 24555 S. Navajo Drive, Channahon, Illinois 60410.

BASIC FINANCIAL STATEMENTS

Village of Channahon, Illinois
STATEMENT OF NET POSITION
April 30, 2019

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Current			
Cash and investments	\$ 20,109,852	\$ 7,289,172	\$ 27,399,024
Receivables, net of allowance			
Property taxes	11,351,336	-	11,351,336
Intergovernmental	1,298,083	-	1,298,083
Customer accounts	-	390,364	390,364
Interest	9,132	4,566	13,698
Other	125,148	-	125,148
Prepaid items	53,319	8,158	61,477
Inventory	55,967	20,084	76,051
Noncurrent assets			
Net pension asset	108,987	-	108,987
Capital assets not being depreciated	1,988,042	712,409	2,700,451
Capital assets, net of accumulated depreciation	<u>26,772,440</u>	<u>35,681,079</u>	<u>62,453,519</u>
 Total assets	 <u>61,872,306</u>	 <u>44,105,832</u>	 <u>105,978,138</u>
 DEFERRED OUTFLOWS			
Deferred outflows related to pensions	<u>2,420,768</u>	<u>455,618</u>	<u>2,876,386</u>
 Total deferred outflows	 <u>2,420,768</u>	 <u>455,618</u>	 <u>2,876,386</u>

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois
STATEMENT OF NET POSITION
April 30, 2019

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
LIABILITIES			
Current			
Current portion of long-term liabilities	\$ 2,040,226	\$ 910,783	\$ 2,951,009
Accounts payable	1,744,466	295,808	2,040,274
Accrued payroll	122,384	19,294	141,678
Infrastructure development liability	556,670	-	556,670
Accrued interest payable	130,094	51,424	181,518
Unearned revenue	-	6,168	6,168
Long-term liabilities, net of current portion			
Due in more than one year	<u>16,763,496</u>	<u>5,235,775</u>	<u>21,999,271</u>
Total liabilities	<u>21,357,336</u>	<u>6,519,252</u>	<u>27,876,588</u>
DEFERRED INFLOWS			
Property taxes levied for a future period	11,351,335	-	11,351,335
Deferred inflows related to pensions	<u>1,333,310</u>	<u>186,496</u>	<u>1,519,806</u>
Total deferred inflows	<u>12,684,645</u>	<u>186,496</u>	<u>12,871,141</u>
NET POSITION			
Net investment in capital assets	19,223,871	31,251,603	50,475,474
Restricted by enabling legislation (Note A-17)	5,113,718	-	5,113,718
Unrestricted	<u>5,913,504</u>	<u>6,604,099</u>	<u>12,517,603</u>
Total net position	<u>\$ 30,251,093</u>	<u>\$ 37,855,702</u>	<u>\$ 68,106,795</u>

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois
STATEMENT OF ACTIVITIES
Year Ended April 30, 2019

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities				
General government	\$ 10,534,177	\$ 2,162,073	\$ 99,169	\$ -
Public safety	3,286,377	167,671	-	-
Community development	1,030,768	-	-	-
Streets and bridges	4,002,874	325,873	341,007	1,805,762
Interest and fees	324,290	-	-	-
Total governmental activities	<u>19,178,486</u>	<u>2,655,617</u>	<u>440,176</u>	<u>1,805,762</u>
Business-type activities				
Waterworks and sewerage	3,333,969	4,355,719	-	2,616,056
Refuse disposal	904,424	1,040,740	-	-
Total business-type activities	<u>4,238,393</u>	<u>5,396,459</u>	<u>-</u>	<u>2,616,056</u>
Total	<u>\$ 23,416,879</u>	<u>\$ 8,052,076</u>	<u>\$ 440,176</u>	<u>\$ 4,421,818</u>
General revenues Property taxes Unrestricted intergovernmental Other taxes Interest Transfers Total general revenues and transfers Change in net position				
Net position - beginning of year, as restated (see Note P)				
Net position - end of year				

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (8,272,935)	\$ -	\$ (8,272,935)
(3,118,706)	-	(3,118,706)
(1,030,768)	-	(1,030,768)
(1,530,232)	-	(1,530,232)
(324,290)	-	(324,290)
<u>(14,276,931)</u>	<u>-</u>	<u>(14,276,931)</u>
-	3,637,806	3,637,806
-	136,316	136,316
<u>-</u>	<u>3,774,122</u>	<u>3,774,122</u>
<u>(14,276,931)</u>	<u>3,774,122</u>	<u>(10,502,809)</u>
10,266,792	-	10,266,792
5,253,098	-	5,253,098
1,369,169	-	1,369,169
417,741	91,030	508,771
(1,509,422)	1,509,422	-
<u>15,797,378</u>	<u>1,600,452</u>	<u>17,397,830</u>
1,520,447	5,374,574	6,895,021
<u>28,730,646</u>	<u>32,481,128</u>	<u>61,211,774</u>
<u>\$ 30,251,093</u>	<u>\$ 37,855,702</u>	<u>\$ 68,106,795</u>

Village of Channahon, Illinois

Governmental Funds

BALANCE SHEET

April 30, 2019

	<u>General Fund</u>	<u>T.I.F. District Fund</u>	<u>Bluff Road & I-55 Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and investments	\$ 14,517,618	\$ 549,983	\$ 504,751	\$ 4,537,500	\$ 20,109,852
Receivables, net of allowances					
Property taxes	1,221,486	8,545,470	-	1,584,380	11,351,336
Intergovernmental	1,096,863	-	-	201,220	1,298,083
Other	98,597	-	-	26,551	125,148
Interest	9,132	-	-	-	9,132
Prepaid items	40,751	-	-	12,568	53,319
Inventory	55,967	-	-	-	55,967
Due from other funds	213,465	-	-	-	213,465
	<u>17,253,879</u>	<u>9,095,453</u>	<u>504,751</u>	<u>6,362,219</u>	<u>33,216,302</u>
Total assets	<u>\$ 17,253,879</u>	<u>\$ 9,095,453</u>	<u>\$ 504,751</u>	<u>\$ 6,362,219</u>	<u>\$ 33,216,302</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 1,438,825	\$ 98	\$ 279,526	\$ 26,017	\$ 1,744,466
Accrued payroll	122,384	-	-	-	122,384
Infrastructure development liability	182,238	-	-	374,432	556,670
Due to other funds	-	38,783	-	174,682	213,465
	<u>1,743,447</u>	<u>38,881</u>	<u>279,526</u>	<u>575,131</u>	<u>2,636,985</u>
Total liabilities	<u>1,743,447</u>	<u>38,881</u>	<u>279,526</u>	<u>575,131</u>	<u>2,636,985</u>
Deferred inflows					
Property taxes levied for a future period	1,221,486	8,545,470	-	1,584,379	11,351,335
Unavailable intergovernmental revenues	336,613	-	-	-	336,613
	<u>1,558,099</u>	<u>8,545,470</u>	<u>-</u>	<u>1,584,379</u>	<u>11,687,948</u>
Total deferred inflows	<u>1,558,099</u>	<u>8,545,470</u>	<u>-</u>	<u>1,584,379</u>	<u>11,687,948</u>
Fund balances					
Nonspendable	310,183	-	-	12,568	322,751
Restricted	-	511,102	225,225	4,364,823	5,101,150
Assigned	1,019,061	-	-	-	1,019,061
Unassigned	12,623,089	-	-	(174,682)	12,448,407
	<u>13,952,333</u>	<u>511,102</u>	<u>225,225</u>	<u>4,202,709</u>	<u>18,891,369</u>
Total fund balance	<u>13,952,333</u>	<u>511,102</u>	<u>225,225</u>	<u>4,202,709</u>	<u>18,891,369</u>
	<u>\$ 17,253,879</u>	<u>\$ 9,095,453</u>	<u>\$ 504,751</u>	<u>\$ 6,362,219</u>	<u>\$ 33,216,302</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 17,253,879</u>	<u>\$ 9,095,453</u>	<u>\$ 504,751</u>	<u>\$ 6,362,219</u>	<u>\$ 33,216,302</u>

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois
 Governmental Funds
 RECONCILIATION OF THE BALANCE SHEET
 OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
April 30, 2019

Amounts reported for governmental activities in the statement of net position differ from the governmental funds balance sheet because:

Total fund balance - governmental funds		\$ 18,891,369
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The net pension asset resulting from IMRF Sheriff's Law Enforcement Personnel (SLEP) plan fiduciary net position exceeding the total pension liability is not a financial resource and therefore not reported in the governmental funds.		108,987
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Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.		28,760,482
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Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:

Deferred outflows related to IMRF pension fund	\$ 1,313,067		
Deferred inflows related to IMRF pension fund	(538,270)		
Deferred outflows related to police pension fund	1,107,701		
Deferred inflows related to police pension fund	<u>(795,040)</u>		1,087,458

Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current period expenditures. Those assets are offset by unearned revenues in the governmental funds and are thus not included in the fund balances. At year-end, the Village deferred a portion of the sales and use taxes receivable (unearned revenue), in the governmental funds but not in the statement of net position.		336,613
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Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, therefore, is not recognized in the governmental funds balance sheet.		(130,094)
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Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet.		<u>(18,803,722)</u>
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Net position - governmental activities		<u>\$ 30,251,093</u>
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The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Year Ended April 30, 2019

	General Fund	T.I.F. District Fund	Bluff Road & I-55 Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 672,270	\$ 7,936,907	\$ -	\$ 1,657,615	\$ 10,266,792
Other taxes	1,337,050	-	32,119	-	1,369,169
Intergovernmental	3,245,115	-	-	1,992,530	5,237,645
Payments in lieu of taxes	494,492	-	-	264,239	758,731
Licenses and permits	325,873	-	-	-	325,873
Fines and fees	167,671	-	-	-	167,671
Charges for services	401,387	-	-	-	401,387
Interest income	368,652	5,274	14,002	29,813	417,741
Grants and allotments	99,169	-	-	341,007	440,176
Miscellaneous	380,577	-	43,750	577,628	1,001,955
	7,492,256	7,942,181	89,871	4,862,832	20,387,140
Expenditures					
Current					
General government	1,249,475	7,123,402	-	308,612	8,681,489
Public safety	3,254,579	-	-	-	3,254,579
Streets and bridges	1,297,953	-	40	594,908	1,892,901
Employee benefits and pension	-	-	-	1,381,741	1,381,741
Community development	490,688	-	-	535,209	1,025,897
Capital outlay	717,705	-	2,229,662	276,989	3,224,356
Debt service					
Principal	386,250	730,000	228,000	435,000	1,779,250
Interest and other	53,792	63,600	114,918	143,188	375,498
	7,450,442	7,917,002	2,572,620	3,675,647	21,615,711
Excess (deficiency) of revenues over expenditures	41,814	25,179	(2,482,749)	1,187,185	(1,228,571)

(Continued)

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Year Ended April 30, 2019

	<u>General Fund</u>	<u>T.I.F. District Fund</u>	<u>Bluff Road & I-55 Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Other financing sources (uses)					
Sale of capital assets	\$ 11,125	\$ -	\$ -	\$ -	\$ 11,125
Transfers in	1,496,119	-	95,132	536,234	2,127,485
Transfers out	<u>(379,427)</u>	<u>-</u>	<u>(631,674)</u>	<u>(2,625,806)</u>	<u>(3,636,907)</u>
Total other financing sources (uses)	<u>1,127,817</u>	<u>-</u>	<u>(536,542)</u>	<u>(2,089,572)</u>	<u>(1,498,297)</u>
Net change in fund balances	1,169,631	25,179	(3,019,291)	(902,387)	(2,726,868)
Fund balance					
Beginning of year	<u>12,782,702</u>	<u>485,923</u>	<u>3,244,516</u>	<u>5,105,096</u>	<u>21,618,237</u>
End of year	<u>\$ 13,952,333</u>	<u>\$ 511,102</u>	<u>\$ 225,225</u>	<u>\$ 4,202,709</u>	<u>\$ 18,891,369</u>

(Concluded)

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2019

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

Net change in fund balances - total governmental funds	\$ (2,726,868)
The net pension asset resulting from IMRF SLEP plan fiduciary net position exceeding the total pension liability is not a financial resource and therefore not reported in the governmental funds.	(9,191)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense.	2,388,860
Changes in deferred outflows and inflows of resources related to pensions are reported only in the statement of activities:	
Deferred outflows and inflows of resources related to IMRF pension fund	1,140,426
Deferred outflows and inflows of resources related to police pension fund	481,453
Accrued interest on debt reported in the statement of activities does not require the use of current financial resources and therefore is not reported in the governmental funds:	19,282
Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds.	15,453
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	<u>211,032</u>
Change in net position - governmental activities	<u><u>\$ 1,520,447</u></u>

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois
Waterworks and Sewerage Fund - Proprietary Fund
STATEMENT OF NET POSITION
April 30, 2019

ASSETS

Current

Cash and investments	\$ 7,289,172
Customer accounts receivable (net of \$5,000 allowance for uncollectible accounts)	390,364
Interest receivable	4,566
Prepaid items	8,158
Inventory	<u>20,084</u>

Total current assets 7,712,344

Noncurrent

Capital assets not being depreciated	712,409
Capital assets, net of accumulated depreciation	<u>35,681,079</u>

Total noncurrent assets 36,393,488

Total assets 44,105,832

DEFERRED OUTFLOWS

Deferred outflows related to pensions 455,618

Total deferred outflows 455,618

LIABILITIES

Current

Current portion of long-term liabilities	910,783
Accounts payable	295,808
Accrued payroll	19,294
Accrued interest payable	51,424
Unearned revenue	<u>6,168</u>

Total current liabilities 1,283,477

(Continued)

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois
Waterworks and Sewerage Fund - Proprietary Fund
STATEMENT OF NET POSITION
April 30, 2019

LIABILITIES (Continued)

Long-term liabilities, net of current portion

Net pension liability	\$ 844,270
Other postemployment benefit liability	132,196
General obligation bonds payable	3,517,967
Loans payable	<u>741,342</u>

Total noncurrent liabilities 5,235,775

Total liabilities 6,519,252

DEFERRED INFLOWS

Deferred inflows related to pensions 186,496

Total deferred inflows 186,496

NET POSITION

Net investment in capital assets 31,251,603
Unrestricted 6,604,099

Total net position \$ 37,855,702

(Concluded)

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois
Waterworks and Sewerage Fund - Proprietary Fund
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
Year Ended April 30, 2019

OPERATING REVENUES	
Water and sewer billings	\$ 2,770,801
Water meters	52,313
Water system recapture	88,481
Water and sewer tap/turn-on fees	1,253,416
Refuse disposal	1,040,740
Miscellaneous income	<u>190,708</u>
Total operating revenues	<u>5,396,459</u>
OPERATING EXPENSES	
Salaries	701,712
Employee benefits	149,246
Legal and professional fees	2,127
Engineering fees	11,081
Sewage transportation	197,865
Refuse removal contract	904,424
Utilities	368,835
Billing and office	51,001
Repair and maintenance	302,007
Depreciation	1,395,055
Chemical supplies and testing	32,553
Miscellaneous expense	<u>8,291</u>
Total operating expenses	<u>4,124,197</u>
OPERATING INCOME	<u>1,272,262</u>

(Continued)

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois
Waterworks and Sewerage Fund - Proprietary Fund
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
Year Ended April 30, 2019

NONOPERATING REVENUES (EXPENSES)

Interest income	\$ 91,030
Interest expense	<u>(114,196)</u>
Total nonoperating expenses	<u>(23,166)</u>
Income before transfers and contributions	1,249,096
Transfers in	1,581,822
Transfers out	(72,400)
Capital contributions	<u>2,616,056</u>
CHANGE IN NET POSITION	5,374,574
TOTAL NET POSITION	
Beginning of year, as restated (see Note P)	<u>32,481,128</u>
End of year	<u><u>\$ 37,855,702</u></u>

(Concluded)

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois
Waterworks and Sewerage Fund - Proprietary Fund
STATEMENT OF CASH FLOWS
Year Ended April 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 5,369,652
Cash paid to suppliers for goods and services	1,968,298
Cash paid to employees for services and benefits	<u>845,929</u>
Net cash provided by operating activities	<u>2,555,425</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in	1,581,822
Transfers out	<u>(72,400)</u>
Net cash provided by noncapital financing activities	<u>1,509,422</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Principal paid on bonds and infrastructure loans	(848,302)
Acquisition and construction of capital assets	(552,400)
Interest paid on bonds and infrastructure loans	<u>(140,586)</u>
Net cash used in capital financing activities	<u>(1,541,288)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	90,317
Purchase of investments	(213,325)
Sale of investments	<u>171,574</u>
Net cash provided by investing activities	<u>48,566</u>
NET INCREASE IN CASH	2,572,125
CASH	
Beginning of year	<u>3,137,364</u>
End of year	<u>\$ 5,709,489</u>
Reconciliation	
Cash	\$ 5,709,489
Investments	<u>1,579,683</u>
Total cash and investments	<u>\$ 7,289,172</u>

(Continued)

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois
Waterworks and Sewerage Fund - Proprietary Fund
STATEMENT OF CASH FLOWS
Year Ended April 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Operating income	\$ 1,272,262
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	1,395,055
Changes in assets and liabilities	
Customer accounts receivable	(28,807)
Prepaid items	307
Inventory	313
Deferred outflows related to pensions	(390,457)
Accounts payable	(90,734)
Accrued payroll	3,515
Compensated absences	1,920
Unearned revenue	2,000
Deferred inflows related to pensions	(4,716)
Other postemployment benefit liability	10,918
Net pension liability	<u>383,849</u>
Net cash provided by operating activities	<u>\$ 2,555,425</u>

NONCASH TRANSACTION

Capital contributions	<u>\$ 2,616,056</u>
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(Concluded)

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois

Police Pension Trust Fund

STATEMENT OF NET POSITION

April 30, 2019

ASSETS

Cash and cash equivalents		\$	1,090,180
Investments			
U.S. treasury bonds	\$	578,438	
Agency securities		3,014,658	
Corporate bonds		671,493	
Municipal bonds		487,204	
Equities - mutual funds		4,084,738	
Other		<u>7,229</u>	8,843,760
Interest receivable			39,404
Employee contribution receivable			<u>5,350</u>
Total assets		\$	<u><u>9,978,694</u></u>

LIABILITIES

Accounts payable		\$	<u>750</u>
Total liabilities		\$	<u><u>750</u></u>

NET POSITION

Restricted for pension benefits held in trust		\$	<u><u>9,977,944</u></u>
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The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois
 Police Pension Trust Fund
 STATEMENT OF CHANGES IN PLAN NET POSITION
Year Ended April 30, 2019

ADDITIONS

Contributions		
Employer		\$ 737,625
Members		<u>212,509</u>
Total contributions		<u>950,134</u>
Investment income		
Interest and dividends		341,467
Net appreciation in fair value of investments		202,766
Less: investment expense		<u>(19,829)</u>
Total investment income		<u>524,404</u>
Total additions		<u>1,474,538</u>

DEDUCTIONS

Pension benefit payments including refunds of member contributions		357,368
Administrative expense		<u>30,220</u>
Total deductions		<u>387,588</u>

CHANGE IN NET POSITION 1,086,950

NET POSITON RESTRICTED
 FOR PENSION BENEFITS

Beginning of year		<u>8,890,994</u>
End of year		<u><u>\$ 9,977,944</u></u>

The accompanying notes are an integral part of this statement.

Village of Channahon, Illinois
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April 30, 2019

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Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Channahon, Illinois (the Village) was incorporated on December 11, 1961, in Will and Grundy Counties in the State of Illinois. The Village is a home rule unit and operates under the Board of Trustees/Manager form of government. The Village Board is composed of the Village President and six members. The Village provides services to the community that include: police, water, wastewater, refuse disposal, community development, street maintenance, and general services.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted 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 following is a summary of the Village's significant accounting policies:

1. **Reporting Entity**

As defined by GAAP, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- a. Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- b. Fiscal dependency on the primary government.

Based on the above criteria, the Village does not have any component units, and is not included as a component unit in any other governmental reporting entity.

2. **New Accounting Pronouncement**

GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which was implemented by the Village during the fiscal year ended April 30, 2019. This Statement established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses on the government-wide and proprietary fund financial statements. The valuation of GASB Statement No. 75 (GASB 75) was performed utilizing the Alternative Measurement Method for small plans.

Specific changes to the Village's financial statements relate to the recognition of other postemployment benefit (OPEB) liabilities, and OPEB expense. See Note J and Note P for the effects of this restatement.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) grants and contributions that are restricted to meeting the operational requirements, and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements as they are not available to address activities or obligations of the Village. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated in the fund financial statements, and reported separately in the supplementary financial information.

4. Basis of Presentation - Fund Accounting

The accounts of the Village are organized on the basis of funds, which are considered as separate accounting entities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. The Village's resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report into generic fund types and broad fund categories as follows:

a. Governmental Fund Types

Governmental funds are those through which most governmental functions of the Village are financed. The Village's expendable financial resources (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is based upon the determination of changes in financial position, rather than upon net income determination. The following are the Village's governmental fund types:

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Basis of Presentation - Fund Accounting (Continued)

a. Governmental Fund Types (Continued)

- i. 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.
- ii. Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than debt service or major capital projects) that are legally restricted to expenditures for specified purposes. The Village's special revenue funds are the Tax Increment Financing (T.I.F.) District Fund, Motor Fuel Tax Fund, Police Forfeiture Fund, D.A.R.E Fund, IMRF and Social Security Fund, Police Pension Expense Fund, Insurance Fund, Audit Fund, Motor Fuel Tax Bond Fund, T.I.F. Route 6 & I-55 Fund, the Capital Infrastructure Fund and the Development Repayment Fund.
- iii. Debt Service Funds are used to account for the accumulation of resources for debt service payments. The Village has one debt service fund - the Wescom Debt Service Fund.
- iv. Capital Projects Funds are used to account for the use of resources for capital improvements. The District has two capital projects funds - the Bluff Road & I-55 Fund and the Recaptures Capital Projects Fund.

b. Proprietary Fund Types

Proprietary funds are used to account for the Village's ongoing activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income.

- i. Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Waterworks and Sewerage Fund is the Village's enterprise fund.

c. Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Basis of Presentation - Fund Accounting (Continued)

c. Fiduciary Fund Types (Continued)

- i. Pension trust funds are accounted for in essentially the same manner as proprietary funds, since capital maintenance is critical. The Police Pension Trust Fund is the Village's pension trust fund. The Police Pension Trust Fund accounts for contributions from the Village in the form of property tax revenue and contributions from participants that are used to fund the respective pension plans and make payments to beneficiaries in accordance with the Illinois Pension Code.

5. Fund Balance

The governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items, inventories or balances due from other funds.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Village's highest level of decision making authority (the Village Board). The Village Board commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the Village removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. There were no committed amounts at April 30, 2019.
- d. *Assigned* - refers to amounts that are constrained by the Village's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Trustees or the individual the Village Board delegates the authority to assign amounts to be used for specific purposes. The Village's policy allows intent to be stipulated by the Village Board, the Village President or Finance Director.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Fund Balance (Continued)

e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the general fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally they act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified. As of April 30, 2019, the nonspendable balance consists of \$53,319 in prepaid items, \$55,967 in inventory, and \$213,465 due from other funds, while the assigned balance consists of \$1,019,061 related to sales tax rebates and related potential future costs (Note L). The remaining restricted fund balances at April 30, 2019 are for purposes of the restricted funds as described in Note A.

6. Measurement Focus, 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 statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. A six-month availability period is used for revenue recognition for all other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded when payment is due.

Property taxes, interest revenue, and charges for services revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Village reports the following major governmental funds:

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

The *T.I.F. District Fund* accounts for all revenue and expenditures related to the T.I.F. District activities and programs. Revenues of the T.I.F. District Fund are generated primarily from property taxes.

The *Bluff Road & I-55 Fund* accounts for capital projects as authorized by the Illinois Department of Transportation for road widening and other improvements. Financing is provided from the Village's issuance of bonds.

The Village reports the following major proprietary fund:

The *Waterworks and Sewerage Fund* accounts for the revenue and expenses related to providing a safe, potable water supply for domestic and industrial usage, fire protection and for maintaining a dependable system for collecting and treating wastewater of the Village. The fund also accounts for the Village's refuse disposal operations.

Additionally, the Village reports the following fiduciary fund type:

The *Police Pension Trust Fund* accounts for the activities of the accumulation of resources to pay pension costs. Resources are contributed by members at rates fixed by state statutes and by the employer contributions which are based upon actuarial studies and funded through an annual property tax levy.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. All taxes are reported as general revenues.

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

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Village reports unearned and unavailable revenue on its financial statements. Unearned and unavailable revenue arises when a potential revenue does not meet both the "measurable" and "unavailable" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability or deferred inflow of resources for unearned or unavailable revenue is removed from the balance sheet and revenue is recognized. Governmental Funds also defer revenue recognition in connection with resources received, but not yet earned.

7. Receivables

The recognition of receivables associated with nonexchange transactions is as follows:

- Derived tax receivables (such as sales, income, and motor fuel taxes) are recognized when the underlying exchange has occurred.
- Imposed nonexchange receivables (such as property taxes and fines) are recognized when an enforceable legal claim has arisen.
- Government mandates or voluntary nonexchange transaction receivables such as grants are recognized when all eligibility requirements have been met.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all utility receivable balances that have had a final reading and estimates the portion, if any, of the balance that will not be collected.

8. Investments

Investments are stated at fair value. Changes in fair value are included in investment income.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Fair Value Measurements

Current accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted market prices for identical assets or liabilities in active markets that the Village has the ability to access.

Level 2 Inputs to the valuation methodology include the following:

- * Quoted prices for similar assets or liabilities in active markets;
- * Quoted prices for identical or similar assets or liabilities in inactive markets;
- * Inputs other than quoted prices that are observable for the asset or liability and/or;
- * Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for the Village's investments measured at fair value. There have been no changes in the methodologies used at April 30, 2019 or April 30, 2018.

Municipal Bonds: Valued at the closing price of identical instruments with comparable durations reported on the inactive market on which the individual securities are traded.

Corporate Bonds: Valued at the closing price of identical instruments with comparable durations reported on the active market on which the individual securities are traded.

Negotiable Certificates of Deposit: Valued at the closing price of identical instruments with comparable durations reported on the active market on which the individual securities are traded.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Fair Value Measurements (Continued)

US Government Bonds: Valued at the closing price of identical instruments with comparable durations reported on the active market on which the individual securities are traded.

Agency Securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Police Pension Plan (the "Plan") are open-end mutual funds that are registered with the Securities and Exchange Commission (SEC). These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

U.S. Treasury Obligations: Valued at closing price of similar instruments with comparable durations reported on the active market on which the individual securities are traded.

10. Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

11. Inventories

Inventories recorded in the governmental and enterprise funds consist of street lights and water meters recorded at cost, using the first in first out method.

12. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided, services rendered, and for lending/borrowing purposes. These receivables and payables are classified as "due from/to other funds" (the current portion of interfund transactions) or "advance from/to other fund" (the noncurrent portion of interfund transactions) on the fund balance sheets.

Interfund transactions between funds are offset by a fund balance reserve in applicable governmental funds to indicate that they are not available for budget and are not expendable, available financial resources.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Capital Assets

Capital assets are stated on the basis of historical cost or estimated historical cost (estimated for certain items purchased prior to April 30, 1991). Major capital asset additions are financed primarily from bond proceeds. Assets acquired through gifts, donations or contributions (such as in the case of new roads constructed by a developer) are recorded at their acquisition value at the time of acquisition. The Village has established a capitalization threshold of \$20,000 for infrastructure improvements, land improvements, buildings, waterworks and sewerage systems and equipment.

The costs of normal maintenance and repairs, including street overlays, that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

The Village records the value of water extension systems built by the developers of various subdivisions at the time they are connected to the Village's water system in its proprietary fund. The value for these systems is based upon costs that have been determined by the Village's engineer.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Years</u>
Land improvements	40
Buildings	40
Equipment	5
Infrastructure	20
Waterworks and sewerage systems	40

Construction in progress is stated at cost and includes engineering, design, material and labor incurred for planned construction. No provision for depreciation is made on construction in progress until the asset is completed and placed in service.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Compensated Absences

All full-time Village employees accumulate vacation hours for subsequent use or for payment upon termination, death or retirement. The Village has recorded the liability for compensated absences using the “Vesting Method”. Under the Vesting Method, the liability is measured based on the vacation accumulated at the balance sheet date by those employees who are eligible to receive termination payments. Amounts in excess of the maximum for which payment is allowed at termination are excluded because those balances are available only for use as paid time off. Full-time Village employees also accumulate sick time. Sick time is lost if not used by the time of separation and/or retirement, however, sick time may be used towards the total years of service upon retirement as an IMRF employee. Liabilities for compensated absences will be liquidated by the General Fund and the Waterworks and Sewerage Fund, when applicable. Of the total liability at April 30, 2019, \$168,550 is attributable to governmental activities and \$28,206 is a liability of the enterprise fund, both of which are included in long-term liabilities.

15. Long-Term Liabilities

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities. Bond premiums, discounts, and gains/losses on the refunding of bonds are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

16. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position/fund balance that applies to future periods. At April 30, 2019, the Village had deferred outflows of resources related to pension liabilities. In addition to liabilities, the Village may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to future reporting periods. At April 30, 2019, the Village reported deferred inflows of resources related to pensions, property taxes levied for a future period and unavailable intergovernmental revenues.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

17. Fund Balance and Restrictions of Net Position

Governmental funds report restrictions of fund balance for amounts that are not available for budget or are legally restricted by outside parties for use for a specific purpose in the fund financial statements.

The government-wide statement of net position reports net position restricted by enabling legislation which consist of the following:

<u>Net position restricted for:</u>	<u>Amount</u>
Employee benefits	\$ 196,965
Maintenance of roadways	593,414
Public safety	28,186
Capital projects	1,321,495
Debt service	2,896,348
Other purposes	<u>77,310</u>
Total net position restricted by enabling legislation	\$ <u><u>5,113,718</u></u>

18. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources, at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

19. Pensions and Other Postemployment Benefits

For purposes of measuring the net pension liability and the other postemployment benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to pensions, and OPEB and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plan and additions to/deductions from the pension/OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are stated at fair value.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position

The governmental funds balance sheet includes a reconciliation between fund balance – governmental funds and net position – governmental activities as reported in the government-wide statement of net position.

One element of that reconciliation explains that “Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet.” The details of this difference are as follows:

Bonds payable	\$ (9,575,250)
Unamortized bond premium	(411,785)
Net pension liability (IMRF and Police)	(8,271,887)
RHP total other postemployment benefit liability	(376,250)
Compensated absences	<u>(168,550)</u>
 Net adjustment to reduce fund balance - governmental funds to arrive at net position - governmental activities	 <u>\$ (18,803,722)</u>

2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change in net position - governmental activities as reported in the government-wide statement of activities.

One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 4,827,332
Depreciation expense	<u>(2,438,472)</u>
 Net adjustment to reduce net change in fund balances - governmental funds to arrive at change in net position - governmental activities	 <u>\$ 2,388,860</u>

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds." The details of this difference are as follows:

Principal payments on bonds payable	\$	1,779,250
Bond premium amortization		31,926
IMRF and Police pension liabilities, net		(1,558,592)
RHP other postemployment benefit liability, net		(31,073)
Compensated absences, net		<u>(10,479)</u>
Net adjustment to decrease net change in fund balances - governmental funds to arrive at change in net position - governmental activities	\$	<u><u>211,032</u></u>

NOTE C - DEPOSITS AND INVESTMENTS

The Village is authorized by the Illinois Compiled Statutes to invest in: obligations of the U.S. Treasury, its agencies and instrumentalities; savings accounts, certificates of deposit, or time deposits that are direct obligations of any bank that is insured by the Federal Deposit Insurance Corporation; commercial paper noted within the three highest classifications by at least two standard rating services; obligations of states and their political subdivisions; shares or other securities issued by savings and loan associations which are insured by the Federal Savings and Loan Insurance Corporation; insured accounts of a credit union whose principal office is located in the State of Illinois; Illinois Funds Money Market Fund; money market mutual funds where the portfolio is limited to U.S. Government Securities; and repurchase agreements where the Village or its authorized third party agent takes possession of the securities.

For disclosure purposes, the amounts are segregated as follows:

	<u>Government- Wide</u>	<u>Police Pension</u>	<u>Total</u>
Cash on hand	\$ 1,500	\$ -	\$ 1,500
Deposits with financial institutions*	11,608,002	1,090,180	12,698,182
Investments	1,521,660	8,836,531	10,358,191
Illinois Metropolitan Investment Fund - Liquidating Trust Account (IMET LTA)**	-	7,229	7,229
Illinois Funds	<u>14,267,862</u>	<u>-</u>	<u>14,267,862</u>
Total cash and investments	<u>\$ 27,399,024</u>	<u>\$ 9,933,940</u>	<u>\$ 37,332,964</u>

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

* Includes accounts held in demand and savings accounts, non-negotiable certificates of deposit and money market savings accounts, which are valued at cost. The amount above includes non-negotiable certificates of deposit totaling \$2,816,600.

** The IMET LTA's fair value is the estimated net realizable value of assets seized for the purpose of liquidating the related investments.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations (NSROs). The Village's investment policy authorized investments in any type of security as permitted by State statute. The Police Pension Trust Fund can invest in any type of investment instrument permitted by Illinois Law, as described in Chapter 40 of the Illinois Compiled Statutes, 40 ILCS 5/1-113.2 - 113.4a.

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

Custodial Credit Risk - Deposits - This is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's and Police Pension Trust Fund's investment policies require collateral for all deposits and investments except for those investments of the state pool or the federal government. The collateral must have a market value of not less than 100 percent of all deposits and investments. As of fiscal year-end, the Village and the Police Pension Trust Fund did not have any uninsured or uncollateralized deposits and investments. At April 30, 2019, the bank balance of the Village's and the Police Pension Trust Fund's deposits was \$11,554,262 and \$1,090,749, respectively.

Custodial Credit Risk - Investments - The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Village or Pension Fund will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The investments held in external investment pools and in open-end mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. The relationship between the Village and the investment agent is direct contractual relationship, and the investments are not supported by a transferable instrument that evidences ownership or creditorship. All other investments held by the Pension Fund were registered in the name of the Pension Fund.

Concentration of Credit Risk - The Village and the Pension Fund do not place a limit on the amount that may be invested in any one issuer, however, diversification of the investment portfolio must be appropriate as to the nature and purpose of the funds using the "prudent person rule". At fiscal year-end, the Village held investments in treasury obligations and municipal bonds.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

Interest Rate Risk - The Village and Police Pension Trust Fund do not have formal investment policies that limit investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The Village's investment in the Illinois Funds is not exposed to interest rate risk. The Village's investments in other money market funds have maturities due within one year of fiscal year-end.

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The Pension Fund has the following recurring fair value measurements as of April 30, 2019:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
<i>Government-Wide</i>				
Debt securities				
Municipal bonds	\$ -	\$ 1,300,656	\$ -	\$ 1,300,656
U.S. government bonds	-	124,374	-	124,374
Negotiable certificates of deposit	-	96,630	-	96,630
Total investments by fair value level	<u>\$ -</u>	<u>\$ 1,521,660</u>	<u>\$ -</u>	<u>\$ 1,521,660</u>
<i>Police Pension</i>				
U.S. Treasury obligations	\$ -	\$ 578,438	\$ -	\$ 578,438
Agency securities				
FHLB	-	1,253,204	-	1,253,204
FHLB	-	99,398	-	99,398
Freddie Mac	-	34,965	-	34,965
Farm Credit System	-	1,502,056	-	1,502,056
Fed NTNL Mortgage	-	74,398	-	74,398
Tennessee Valley Authority	-	50,637	-	50,637
Corporate bonds	671,493	-	-	671,493
Municipal bonds	-	487,204	-	487,204
Equity mutual funds	<u>4,084,738</u>	<u>-</u>	<u>-</u>	<u>4,084,738</u>
Total investments by fair value level	<u>\$ 4,756,231</u>	<u>\$ 4,080,300</u>	<u>\$ -</u>	<u>\$ 8,836,531</u>

The Pension Fund assumes that any callable securities will not be called.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

As of April 30, 2019, the government-wide and Pension Fund's fixed income investments, maturities (using the segmented time distribution method) and fair values were as follows:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1 - 5	6 - 10	More than 10
<i>Government-Wide</i>					
Municipal bonds	\$ 1,300,656	\$ 172,740	\$ 1,127,916	\$ -	\$ -
U.S. government bonds	124,374	124,374	-	-	-
Negotiable certificates of deposit	96,630	47,762	48,868	-	-
	<u>\$ 1,521,660</u>	<u>\$ 344,876</u>	<u>\$ 1,176,784</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Police Pension</i>					
U.S. Treasury obligations	\$ 578,438	\$ -	\$ 552,118	\$ 26,320	\$ -
<i>Agency securities</i>					
FHLB	1,253,204	99,885	380,649	772,670	-
FHL	99,398	24,909	49,484	25,005	-
Freddie Mac	34,965	-	34,965	-	-
Farm Credit	1,502,056	-	381,035	1,121,021	-
Fed NTNL	74,398	-	49,540	24,858	-
TVA	50,637	-	25,472	25,165	-
Corporate bonds	671,493	84,824	206,647	380,022	-
Municipal bonds	487,204	44,941	277,828	154,244	10,191
Equity mutual funds	4,084,738	4,084,738	-	-	-
	<u>\$ 8,836,531</u>	<u>\$ 4,339,297</u>	<u>\$ 1,957,738</u>	<u>\$ 2,529,305</u>	<u>\$ 10,191</u>

The following investments are measured at net asset value (NAV):

		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Illinois Funds	\$ 14,267,862	n/a	Daily	1 day

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

The Pension Fund has diversified the equity mutual fund holdings as follows:

<u>Equity Mutual Funds</u>	<u>Fair Value</u>
AQR LG Cap Defensive	\$ 103,309
Bridgeway Ultra Small	106,386
Cohen & Steers Inst	99,603
First Eagle Overseas	55,968
Goldman Sachs Intl Equity	96,745
Goldman Sachs Small Cap	289,585
LSV Value Equity Fd Inst.	454,392
MFS Intl Growth CL I	101,430
Oppenheimer Developing	62,331
Pioneer Equity Income Y	453,078
T Rowe Price Gwth Stock	905,418
T Rowe Price QM US Small	287,561
Vanguard 500 Index Fd	944,826
Victory Sycamore	<u>124,106</u>
Total Equity Mutual Funds	<u>\$ 4,084,738</u>

The following was the Board's adopted asset allocation policy as of April 30, 2019.

<u>Asset Class</u>	<u>Target</u>		<u>Long-Term Expected Real Rate of Return</u>	
Large Cap Domestic Equity	28.0	%	6.5	%
Small Cap Domestic Equity	8.0		8.3	
International Equity	4.0		6.3	
Fixed Income	60.0		1.5	

The Plan did not hold investments in any one organization that represents 5% or more of the Pension Plan's fiduciary net position.

For the year ended April 30, 2019, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was the following:

<u>Investment Advisor</u>	<u>Money-Weighted Return for Portion of Fund Managed</u>
Sawyer Falduto (Charles Schwab)	5.63%

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE D - PROPERTY TAXES

Property tax levies are recognized as revenues in the fiscal period they are intended to finance. The amounts recorded as revenue for fiscal year 2019 represent the taxes from the 2017 and prior year levies that have been collected by Will and Grundy Counties and have been distributed to the Village within sixty days of fiscal year-end.

The budget ordinance anticipates that the 2018 property tax levy will be used to finance fiscal year 2020 expenditures. The 2018 levy has been recognized as a receivable, less an allowance for uncollectible property taxes amounting to 1.00%, as of April 30, 2019, but recognition as revenue (as a deferred inflow) has been deferred, in the amount of \$11,351,335, to fiscal year 2019. The equalized assessed valuation for the extension of the 2018 tax levy was \$466,237,435.

The calendar for the 2018 property tax levy is as follows:

Levy Date - December 3, 2018
Lien Date - January 1, 2018
Due Date(s) - on or about June 1 and September 1, 2019
Estimated Collection Dates - May 15, 2019 through December 15, 2019

NOTE E - INTERFUND TRANSACTIONS

1. **Due to/from Other Funds**

	<u>Due From</u>	<u>Due To</u>
General		
Nonmajor governmental funds	\$ 213,465	\$ -
Nonmajor governmental funds		
General fund	-	213,465
	213,465	213,465
Less amounts eliminated during GASB 34 conversion	(213,465)	(213,465)
Total internal balances as shown on the statement of net position	\$ -	\$ -

The balances above represent amounts owed to the General Fund from the TIF District Fund and the TIF Rt. 6 & I-55 Fund at April 30, 2019. These balances are the result of a negative cash balance in the TIF District Fund at April 30, 2019 as well as TIF expenditures incurred throughout the fiscal year in excess of the TIF property tax revenues generated from the TIF.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE E - INTERFUND TRANSACTIONS (Continued)

2. Interfund Transfers

Individual interfund transfers, during the fiscal year ended April 30, 2019, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers</u>
General			
Waterworks and Sewerage	\$ 72,400	\$ -	\$ 72,400
Bluff Road and I-55	513,432	95,132	418,300
Capital Infrastructure	575,000	-	575,000
General	200,000	200,000	-
Motor Fuel Tax Bond	135,287	-	135,287
Development Repayment	-	535,209	(535,209)
Waterworks and Sewerage			
General	-	72,400	(72,400)
Bluff Road and I-55	118,242	-	118,242
Illinois Municipal Retirement	1,463,580	-	1,463,580
Nonmajor governmental			
Bluff Road and I-55	95,132	118,242	(23,110)
Development Repayment	535,209	-	535,209
Motor Fuel Tax Bond	1,025	136,312	(135,287)
Illinois Municipal Retirement	-	1,463,580	(1,463,580)
Bluff Road and I-55	-	513,432	(513,432)
Capital Infrastructure	-	575,000	(575,000)
Subtotal	<u>3,709,307</u>	<u>3,709,307</u>	<u>-</u>
Less amounts eliminated during GASB 34 conversion	<u>2,055,085</u>	<u>2,055,085</u>	<u>-</u>
Total government-wide transfers	<u>\$ 1,654,222</u>	<u>\$ 1,654,222</u>	<u>\$ -</u>
Reconciliation for eliminations adjustment:	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers</u>
Governmental funds	\$ 72,400	\$ 1,581,822	\$ (1,509,422)
Enterprise funds	<u>1,581,822</u>	<u>72,400</u>	<u>1,509,422</u>
Total transfers	<u>\$ 1,654,222</u>	<u>\$ 1,654,222</u>	<u>\$ -</u>

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE E - INTERFUND TRANSACTIONS (Continued)

2. **Interfund Transfers** (Continued)

Interfund transfers relate to payments of bond principal and interest, street and road related expenses, payments related to development agreements, levied police pension monies, payments from one fund that was already covered by the levied funds, and various capital expenditures.

NOTE F - CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2019 was as follows:

1. **Governmental Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated				
Land	\$ 206,327	\$ 44,100	\$ -	\$ 250,427
Construction in progress	1,316,341	421,274	-	1,737,615
	<u>1,522,668</u>	<u>465,374</u>	<u>-</u>	<u>1,988,042</u>
Capital assets, being depreciated				
Land improvements	5,294,005	361,870	-	5,655,875
Buildings	6,266,628	-	59,116	6,207,512
Equipment	4,072,262	246,273	159,199	4,159,336
Infrastructure	31,078,181	3,753,815	-	34,831,996
	<u>46,711,076</u>	<u>4,361,958</u>	<u>218,315</u>	<u>50,854,719</u>
Less accumulated depreciation for				
Land improvements	1,603,761	139,132	-	1,742,893
Buildings	2,504,117	156,514	59,116	2,601,515
Equipment	3,426,948	192,111	159,199	3,459,860
Infrastructure	14,327,296	1,950,715	-	16,278,011
	<u>21,862,122</u>	<u>2,438,472</u>	<u>218,315</u>	<u>24,082,279</u>
Total capital assets, being depreciated, net	<u>24,848,954</u>	<u>1,923,486</u>	<u>-</u>	<u>26,772,440</u>
Governmental activities capital assets, net	<u>\$ 26,371,622</u>	<u>\$ 2,388,860</u>	<u>\$ -</u>	<u>\$ 28,760,482</u>

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE F - CAPITAL ASSETS (Continued)

2. Business-Type Activities

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance
Capital assets, not being depreciated				
Land	\$ 160,009	\$ -	\$ -	\$ 160,009
Construction in progress	1,388,793	552,400	1,388,793	552,400
Total capital assets, not being depreciated	1,548,802	552,400	1,388,793	712,409
Capital assets, being depreciated				
Waterworks and sewerage system	50,625,660	4,004,848	-	54,630,508
Equipment	1,422,569	-	-	1,422,569
Total capital assets, being depreciated	52,048,229	4,004,848	-	56,053,077
Less accumulated depreciation for				
Waterworks and sewerage system	17,825,929	1,363,120	-	19,189,049
Equipment	1,151,015	31,934	-	1,182,949
Total accumulated depreciation	18,976,944	1,395,054	-	20,371,998
Total capital assets, being depreciated, net	33,071,285	2,609,794	-	35,681,079
Business-type activities, capital assets, net	\$ 34,620,087	\$ 3,162,194	\$ 1,388,793	\$ 36,393,488

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE F - CAPITAL ASSETS (Continued)

3. Depreciation Expense

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 270,168
Public safety	5,526
Community development	2,111,146
Streets and bridges	<u>51,632</u>
	<u>\$ 2,438,472</u>

Business – type activities:

Waterworks and sewerage	<u>\$ 1,395,054</u>
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NOTE G - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; natural disasters; employee health; and injuries to the Village's employees. The Village's Excess Property Program consists of excess specific coverage for all buildings, personal property, and other property. The package coverage limit is \$350 million per occurrence/aggregate. Worker's Compensation Specific coverage is to Statutory Limits with \$3 million of employers' liability. The Village's Boiler and Machinery coverage is \$100 million per occurrence/aggregate with a \$1,000 deductible. The Village's Public Entity Select Excess Liability Coverage covers general liability, public officials' liability, police professional liability, automobile liability, and employee benefits liability. The coverage limit for each coverage is \$950,000 per occurrence/member. There were no significant reductions in insurance coverage from the previous year. Settled claims have not exceeded the insurance coverage in the last three years. The following table is a summary of the coverage in effect for the calendar year 2019.

<u>Coverage</u>	<u>Limits</u>
General Liability	\$ 9,950,000
Automobile Liability	9,950,000
Workers Comp	3,000,000
Cyber Liability	5,000,000
Property Damage	350,000,000
Equipment Breakdown	100,000,000

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE G - RISK MANAGEMENT (Continued)

The Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (such as medical, dental and life insurance coverage) offered by its members to their employees and to the employees of certain other governmental, quasi-governmental, and nonprofit public service entities.

Management consists of a Board of Directors, comprised of one representative from each member. Additionally, there is an Executive Board that sets the strategic direction of IPBC. The Village does not exercise any control over the activities of the IPBC beyond its representation on the Board of Directors.

The Village also participates in the Illinois Municipal Insurance Cooperative (IMIC). IMIC is a protected self-insurance risk management program that is owned and managed by its municipal members. IMIC provides long-term insurance coverage for exposures unique to municipalities including utilities, police and fire departments and public works departments.

Management consists of a Board of Directors, comprised of one representative from each member. Additionally, there is an Executive Board that sets the strategic direction of IMIC. The Village does not exercise any control over the activities of the IMIC beyond its representation on the Board of Directors.

Neither IPBC or IMIC is considered a component unit of the Village.

Additional information about IPBC and IMIC, including financial statement information, can be obtained by contacting the respective Cooperative.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE H - LONG-TERM LIABILITIES

1. Changes in Long-Term Liabilities

The following is a summary of the Village's long-term liabilities associated with governmental activities for the year ended April 30, 2019:

	Balance May 1, 2018 (as restated)	Additions	Retirements	Balance April 30, 2019	Due Within One Year
Revenue bonds					
Series 2013	\$ 1,490,000	\$ -	\$ 730,000	\$ 760,000	\$ 760,000
General obligation bonds					
Series 2011	1,612,500	-	386,250	1,226,250	393,750
Series 2013	4,000,000	-	210,000	3,790,000	215,000
Series 2016	4,252,000	-	453,000	3,799,000	471,000
Bond premium	443,711	-	31,926	411,785	31,926
Total general obligation bonds	<u>10,308,211</u>	<u>-</u>	<u>1,081,176</u>	<u>9,227,035</u>	<u>1,111,676</u>
Total bonds	11,798,211	-	1,811,176	9,987,035	1,871,676
Police net pension liability	5,402,867	1,914,466	1,448,369	5,868,964	-
IMRF net pension liability	1,310,428	1,631,597	539,102	2,402,923	-
RHP total other postemployment benefit liability*	345,177	42,147	11,074	376,250	-
Compensated absences	<u>158,071</u>	<u>296,244</u>	<u>285,765</u>	<u>168,550</u>	<u>168,550</u>
Total governmental activities	<u>\$ 19,014,754</u>	<u>\$ 3,884,454</u>	<u>\$ 4,095,486</u>	<u>\$ 18,803,722</u>	<u>\$ 2,040,226</u>

* The beginning balance as of May 1, 2018 is restated due to the implementation of GASB 75 (Note J and Note P).

The General Fund is used to liquidate pension liabilities.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE H - LONG-TERM LIABILITIES (Continued)

1. Changes in Long-Term Liabilities (Continued)

The Village issued \$4,740,000 of Limited Obligation Tax Increment Revenue Bonds on April 16, 2013, at an interest rate of 4.00%, to provide resources to refund the Series 2000 Limited Obligation Tax Increment Revenue Bonds. Repayment of the Series 2013 bonds is to be made in annual installments through January 1, 2020 and will be financed by the TIF District property tax revenues. The outstanding balance at April 30, 2019 was \$760,000.

The Village issued \$5,085,000 of General Obligation Bonds, Series 2011 on September 7, 2011 with interest rates varying from 2.00% to 4.00%, to refund a portion of the General Obligation Bonds, Series 2001. The bond is split between governmental activities, 75%; and business-type activities 25%. It is intended that repayment of the governmental activities' portion of these bonds through December 1, 2021 will be financed with sales taxes from the General Fund. The outstanding balance at April 30, 2019 was \$1,226,250 for government activities and \$408,750 for business-type activities.

The Village issued \$4,970,000 of General Obligation Bonds on April 11, 2013 with interest rates varying from 2.00% to 4.00%, to acquire real property and build and equip a regional 911 public safety dispatch center within the WESCOM service area. It is intended that repayment of these bonds through December 1, 2033 will be financed with WESCOM fees. The outstanding balance at April 30, 2019 was \$3,790,000.

The Village issued \$5,645,000 of General Obligation Bonds, Series 2016 on December 1, 2016 with interest rates varying from 2.00% to 4.00%. \$905,000 was issued to refund a portion of the General Obligation Bonds, Series 2006. The remaining \$4,740,000 is split between governmental activities, 80%; and business-type activities, 20%. It is intended that repayment of the governmental activities' portion of these bonds through December 1, 2031 will be financed with tax revenue from an intergovernmental agreement as well as related recapture fees. The outstanding balance at April 30, 2019 was \$3,799,000 for government activities and \$891,000 for business-type activities.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE H - LONG-TERM LIABILITIES (Continued)

1. Changes in Long-Term Liabilities (Continued)

Annual debt service requirements to maturity for the revenue and general obligation bonds principal and interest are as follows for governmental type activities:

Year Ending April 30,	Revenue and General Obligation Bonds Payable		
	Principal	Interest	Total
2020	\$ 1,839,750	\$ 318,304	\$ 2,158,054
2021	868,750	263,750	1,132,500
2022	897,750	233,800	1,131,550
2023	483,000	206,220	689,220
2024	492,000	195,385	687,385
2025-2029	2,754,000	715,285	3,469,285
2030-2033	2,240,000	186,635	2,426,635
	\$ 9,575,250	\$ 2,119,379	\$ 11,694,629

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE H - LONG-TERM LIABILITIES (Continued)

1. **Changes in Long-Term Liabilities** (Continued)

The following is a summary of the Village's long-term liabilities associated with business-type activities for the year ended April 30, 2019:

	Balance May 1, 2018 (as restated)	Additions	Retirements	Balance April 30, 2019	Due Within One Year
General obligation bonds					
Series 2011	\$ 537,500	\$ -	\$ 128,750	\$ 408,750	\$ 131,250
Series 2012	3,445,000	-	580,000	2,865,000	590,000
Series 2016	948,000	-	57,000	891,000	59,000
Bond premium	172,342	-	19,528	152,814	19,348
Total general obligation bonds	<u>5,102,842</u>	<u>-</u>	<u>785,278</u>	<u>4,317,564</u>	<u>799,598</u>
Infrastructure					
loans payable	906,874	-	82,552	824,322	82,979
IMRF net pension liability	460,421	383,849	-	844,270	-
RHP total other postemployment benefit liability*	121,278	14,809	3,891	132,196	-
Compensated absences	26,286	44,166	42,246	28,206	28,206
Total business-type activities	<u>\$ 6,617,701</u>	<u>\$ 442,824</u>	<u>\$ 913,967</u>	<u>\$ 6,146,558</u>	<u>\$ 910,783</u>

* The beginning balance as of May 1, 2018 is restated due to the implementation of GASB 75 (Note J and Note P).

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE H - LONG-TERM LIABILITIES (Continued)

1. **Changes in Long-Term Liabilities** (Continued)

The Village issued \$5,085,000 of General Obligation Refunding Bonds on September 7, 2011 with interest rates varying from 2.00% to 4.00%, to refund a portion of the General Obligation Bonds, Series 2001. The bond is split between governmental activities, 75%; and business-type activities, 25%. It is intended that repayment of these bonds through December 1, 2021 will be made from waterworks and sewerage revenues. The outstanding balance at April 30, 2019 was \$408,750.

The Village issued \$6,775,000 of General Obligation Refunding Bonds on June 5, 2012 with interest rates varying from 2.00% to 3.00%, to advance refund a portion of the infrastructure loans. It is intended that repayment of these bonds through December 1, 2024 will be made from waterworks and sewerage revenues. The outstanding balance at April 30, 2019 was \$2,865,000.

The Village issued \$5,645,000 of General Obligation Bonds, Series 2016 on December 1, 2016 with interest rates varying from 2.00% to 4.00%. \$905,000 was issued to refund a portion of the General Obligation Bonds, Series 2006. The remaining \$4,740,000 is split between governmental activities, 80%; and business-type activities, 20%. It is intended that repayment of the business-type activities' portion of these bonds through December 1, 2031 will be financed with waterworks and sewerage revenues. The outstanding balance at April 30, 2019 was \$891,000.

Annual debt service requirements to maturity for general obligation bonds are as follows for business type activities:

Year Ending April 30,	General Obligation Bonds Payable		
	Principal	Interest	Total
2020	\$ 780,250	\$ 122,358	\$ 902,608
2021	746,250	102,950	849,200
2022	722,250	82,550	804,800
2023	537,000	60,080	597,080
2024	548,000	44,590	592,590
2025-2029	591,000	93,690	684,690
2030-2033	240,000	19,440	259,440
	\$ 4,164,750	\$ 525,658	\$ 4,690,408

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE H - LONG-TERM LIABILITIES (Continued)

2. Loans Payable

The Village has completed several infrastructure projects with funds borrowed from the Illinois Water Revolving Fund. Changes in infrastructure loans payable to the Illinois Environmental Protection Agency (IEPA) included in the Waterworks and Sewerage Fund for the year ended April 30, 2019 are as follows:

	<u>Balance</u> <u>May 1, 2018</u>	<u>Loans</u> <u>Received</u>	<u>Loans</u> <u>Paid</u>	<u>Balance</u> <u>April 30, 2019</u>	<u>Due Within</u> <u>One Year</u>
Water Loan					
2.535% Interest	\$ 51,573	\$ -	\$ 16,760	\$ 34,813	\$ 17,187
Water Tower Loan					
0.0% Interest	855,301	-	65,792	789,509	65,792
	<u>\$ 906,874</u>	<u>\$ -</u>	<u>\$ 82,552</u>	<u>\$ 824,322</u>	<u>\$ 82,979</u>

Remaining obligations at April 30, 2019 include a water loan at 2.535% interest and repayment in semi-annual installments through November 10, 2020 and a water tower project loan at 0.0% interest and repayment in semi-annual installments through April 29, 2031. It is intended that repayment of these loans will be financed with waterworks and sewerage revenues.

The following is a summary of debt service principal and interest maturities for each of the next five fiscal years and in five year increments thereafter required to service all infrastructure loans included in the Waterworks and Sewerage Fund at April 30, 2019:

Year Ending April 30,	<u>Infrastructure Loans Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 82,979	\$ 774	\$ 83,753
2021	83,417	335	83,752
2022	65,792	-	65,792
2023	65,792	-	65,792
2024	65,792	-	65,792
2025-2029	328,962	-	328,962
2030-2031	131,587	-	131,587
	<u>\$ 824,322</u>	<u>\$ 1,109</u>	<u>\$ 825,431</u>

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES

The Village participates in the Illinois Municipal Retirement Fund (IMRF), a statewide multiple-employer, public employee retirement system which acts as an investment and administrative agent. The IMRF plan covers substantially all of the Village's employees other than police officers. The Village also maintains a single-employer retirement plan established by state statute for the Village's police officers.

1. **Illinois Municipal Retirement Fund**

Plan Description

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

Benefits Provided

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

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

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

1. **Illinois Municipal Retirement Fund** (Continued)

Benefits Provided (Continued)

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

Employees Covered by Benefit Terms

As of December 31, 2018, the following employees were covered by the benefit terms:

	Regular	SLEP
Retirees and beneficiaries currently receiving benefits	34	-
Inactive plan members entitled to but not yet receiving benefits	23	-
Active plan members	34	-
Total	91	-

Contributions

As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2018 was 19.21%. For the fiscal year ended April 30, 2019 the Village contributed \$390,559 to the regular plan and \$0 to the SLEP plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

1. **Illinois Municipal Retirement Fund** (Continued)

Net Pension Liability

The Village's IMRF net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.50%
Salary Increases	3.39% to 14.25%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates, specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, the IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projections scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

1. **Illinois Municipal Retirement Fund** (Continued)

Actuarial Assumptions (Continued)

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of
Equities	37%	(6.08%)
International equities	18%	(14.16%)
Fixed income	28%	(0.28%)
Real estate	9%	8.36%
Alternative investments	7%	4.75% - 12.40%
Cash equivalents	1%	2.50%
Total	100%	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

1. Illinois Municipal Retirement Fund (Continued)

Single Discount Rate (Continued)

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

For the purpose of the most recent valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 3.71% (based on the daily rate closest to but not later than the measurement date of the "20-Year Municipal GO AA index"), and the resulting single discount rate is 7.25%.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

1. **Illinois Municipal Retirement Fund** (Continued)

Changes in Net Pension Liability

The following table shows the components of the change in the Village's net pension liability for the calendar year ended December 31, 2018 for the Regular Plan:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability* (A) - (B)
Balances at December 31, 2017	\$ 11,266,483	\$ 9,495,634	\$ 1,770,849
Changes for the year:			
Service cost	224,385	-	224,385
Interest on the total pension liability	835,584	-	835,584
Difference between expected and actual experience of the total pension liability	253,130	-	253,130
Changes of assumptions	382,580	-	382,580
Contributions - employer	-	431,604	(431,604)
Contributions - employees	-	102,806	(102,806)
Net investment income	-	(509,182)	509,182
Benefit payments, including refunds of employee contributions	(475,122)	(475,122)	-
Other (net transfer)	-	194,107	(194,107)
Net changes	<u>1,220,557</u>	<u>(255,787)</u>	<u>1,476,344</u>
Balances at December 31, 2018	<u>\$ 12,487,040</u>	<u>\$ 9,239,847</u>	<u>\$ 3,247,193</u>

* The net pension liability is allocated between the Governmental and Business-Type activities based upon covered payroll within the respective activities.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

1. **Illinois Municipal Retirement Fund** (Continued)

Changes in Net Pension Asset

The following table shows the components of the change in the Village's net pension asset for the calendar year ended December 31, 2018 for the SLEP Plan:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Asset (A) - (B)
Balances at December 31, 2017	\$ -	\$ 118,178	\$ (118,178)
Changes for the year:			
Net investment income	-	(9,502)	9,502
Other (net transfer)	-	311	(311)
Net changes	-	(9,191)	9,191
Balances at December 31, 2018	\$ -	\$ 108,987	\$ (108,987)

Sensitivity of the Net Pension Asset to Changes in the Discount Rate

The following presents the plan's net pension liability (asset), calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability (asset) would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

	Current Discount Rate		
	1% Lower (6.25%)	Rate (7.25%)	1% Higher (8.25%)
Regular Plan			
Net pension liability	\$ 4,992,074	\$ 3,247,193	\$ 1,819,403
SLEP			
Net pension asset	\$ (108,987)	\$ (108,987)	\$ (108,987)

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

1. **Illinois Municipal Retirement Fund** (Continued)

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

For the year ended April 30, 2019, the Village recognized pension expense of \$347,008 for the Regular Plan. At April 30, 2019, the Village reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

<i>Regular Plan</i>	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 220,760	\$ 27,578
Change of assumptions	278,350	187,207
Net difference between projected and actual earnings on pension plan investments	1,105,757	502,507
Total deferred amounts to be recognized in pension expense in the future periods	1,604,867	717,292
Pension contributions made subsequent to the measurement date	147,510	-
Total deferred amounts related to pensions	\$ 1,752,377	\$ 717,292

The Village reported \$147,510 as deferred outflows of resources related to pensions resulting from Village contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2020.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

1. **Illinois Municipal Retirement Fund** (Continued)

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions** (Continued)

For the year ended April 30, 2019, the Village recognized pension income of \$6,513 for the SLEP Plan. At April 30, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<i>SLEP Plan</i>	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Net difference between projected and actual earnings on pension plan investments	\$ <u>16,308</u>	\$ <u>7,474</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>16,308</u>	<u>7,474</u>
Total deferred amounts related to pensions	\$ <u><u>16,308</u></u>	\$ <u><u>7,474</u></u>

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

1. **Illinois Municipal Retirement Fund** (Continued)

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions** (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended April 30,	Regular Plan Net Deferred Outflows of Resources	SLEP Net Deferred Outflows of Resources
2020	\$ 272,060	\$ 2,674
2021	191,518	1,300
2022	177,824	1,183
2023	246,173	3,677
2024	-	-
Thereafter	-	-
Total	\$ 887,575	\$ 8,834

2. **Police Pension Trust Fund**

Plan Description

The Village contributes to a single-employer defined benefit plan, the Police Pension Trust Fund. The Fund provides retirement, disability, death benefits and annual cost-of-living adjustments to plan members and beneficiaries. Sworn Police personnel are covered by the plan. The plan is part of the Village's financial reporting entity as a component unit that is fiduciary in nature and is included in the Village's financial report as a pension trust fund. The Police Pension Trust Fund does not issue its own financial statements. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution requirements are governed by 40 ILCS 5/3 of the Illinois Compiled Statutes and may only be amended by the Illinois legislature. The Police Pension Trust Fund is administered by the Police Pension Board of Trustees comprising two members appointed by the Village, two active members of the Police Department elected by the membership, and one retired member of the Police Department elected by the membership.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

2. **Police Pension Trust Fund** (Continued)

Basis of Accounting

The accrual basis of accounting is utilized by the pension trust fund. Under this method, additions to net position are recorded when earned and deductions from net position are recorded when the time related liabilities/deferred inflows are incurred. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Benefits Provided

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

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

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

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

2. **Police Pension Trust Fund** (Continued)

Benefits Provided (Continued)

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. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Plan Membership

As of April 30, 2019, the following employees were covered by the benefit terms:

Inactive plan members currently receiving benefits	5
Inactive plan members entitled to but not yet receiving benefits	6
Active plan members	<u>24</u>
Total plan membership	<u><u>35</u></u>

Contributions

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. The Village has chosen to use the following parameters to fund its pension plan above and beyond the state minimum. For the year-ended April 30, 2019, the Village's contribution was 35.95% of covered payroll.

Net Pension Liability

The Village's police fund net pension liability was measured as of April 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Village of Channahon, Illinois
 NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

2. **Police Pension Trust Fund** (Continued)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of April 30, 2019, using the following actuarial methods and assumptions:

Actuarial valuation date	May 1, 2019
Actuarial cost method	Projected unit credit
Amortization method	90% funding by 2040
Asset valuation method	5-year smoothed market
Funding method	Entry age normal actuarial cost method
Actuarial asset method	Investment gains and losses are smoothed over a 5-year period
 Assumptions	
Investment rate of return	6.75%
Discount rate	6.75%
Salary increases	Graded schedule based on service; 3.5% initial, 11.0% ultimate
Cost of living adjustments	3% per year after age 55; 1.25% per year after the later of attainment of age 60 or first anniversary of retirement
Inflation	2.50%
Marital status	80% assumed to be married
Spouse's age	Males are assumed to be three years older than females

Mortality rates for active lives were based on the PubS-2010 Employee Mortality, projected 5 years past the valuation date with Scale MP-2018. Mortality rates for disabled lives were based on the PubS-2010 Disabled Mortality, projected 5 years past the valuation date with Scale MP-2018.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

2. Police Pension Trust Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%, which was the same in the prior year. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (see Note C) was applied to all period of projected benefit payments to determine the total pension liability.

Funding Policy

The Village funds its contributions to the Police Pension plan through an annual tax levy. The levy amount is actuarially determined as the annual contribution necessary to fund the normal costs, plus the amount to amortize the unfunded accrued liability.

Administrative Costs

The Police Pension Fund's administrative costs are part of the budget prepared annually and the actual costs are paid out of the revenues received.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

2. **Police Pension Trust Fund** (Continued)

Changes in Net Pension Liability

	Total Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
	<u>(A)</u>	<u>(B)</u>	<u>(A) - (B)</u>
Balances at April 30, 2018	\$ 14,289,808	\$ 8,886,941	\$ 5,402,867
Adjustment to beginning of year	-	4,050	(4,050)
Changes for the year:			
Service cost	454,581	-	454,581
Interest on the total pension liability	983,185	-	983,185
Difference between expected and actual experience of the total pension liability	(79,610)	-	(79,610)
Changes of assumptions	556,310	-	556,310
Contributions - employer	-	737,881	(737,881)
Contributions - employees	-	212,509	(212,509)
Net investment income	-	524,439	(524,439)
Benefit payment, including refunds of employee contributions	(357,368)	(357,368)	-
Administrative expense	-	(30,510)	30,510
Net changes	<u>1,557,098</u>	<u>1,086,951</u>	<u>470,147</u>
Balances at April 30, 2019	<u>\$ 15,846,906</u>	<u>\$ 9,977,942</u>	<u>\$ 5,868,964</u>

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

2. **Police Pension Trust Fund** (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 6.75% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 8,704,292	\$ 5,868,964	\$ 3,610,405

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

For the year ended April 30, 2019, the Village recognized pension expense of \$726,575. At April 30, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Difference between expected and actual experience	\$ 145,710	\$ 717,668
Change in assumptions	676,584	77,372
Net difference between projected and actual earnings on pension plan investments	285,407	-
Total Deferred Amounts Related to Police Pension	\$ 1,107,701	\$ 795,040

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

2. **Police Pension Trust Fund** (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended April 30,	Net Deferred Outflows of Resources
2020	\$ 89,656
2021	(17,356)
2022	(23,966)
2023	(53,847)
2024	108,338
Thereafter	209,836
Total	\$ 312,661

3. **Summary of Pension Items**

Below is a summary of the various pension items:

	IMRF - Regular	IMRF - SLEP	Police	Total
Deferred outflows of resources:				
Employer contributions	\$ 147,510	\$ -	\$ -	\$ 147,510
Experience	220,760	-	145,710	366,470
Investments	1,105,757	16,308	285,407	1,407,472
Assumptions	278,350	-	676,584	954,934
	\$ 1,752,377	\$ 16,308	\$ 1,107,701	\$ 2,876,386
Pension expense	\$ 347,008	\$ 6,513	\$ 726,575	\$ 1,080,096
Net pension liability (asset)	\$ 3,247,193	\$ (108,987)	\$ 5,868,964	\$ 9,007,170
Deferred inflows of resources:				
Experience	\$ 27,578	\$ -	\$ 717,668	\$ 745,246
Investments	502,507	7,474	-	509,981
Assumptions	187,207	-	77,372	264,579
	\$ 717,292	\$ 7,474	\$ 795,040	\$ 1,519,806

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE I - PENSION LIABILITIES (Continued)

3. **Summary of Pension Items** (Continued)

Below is a reconciliation of the summary of the various pension items to the amounts reported in the government-wide financial statements:

	Governmental Activities	Business-Type Activities	Total
Net pension asset	\$ 108,987	\$ -	\$ 108,987
Deferred outflows of resources	2,420,768	455,618	2,876,386
Net pension liability	8,271,887	844,270	9,116,157
Deferred inflows of resources	1,333,310	186,496	1,519,806

NOTE J - OTHER POSTEMPLOYMENT BENEFITS

Retiree Health Plan (RHP)

Plan Description

The Village of Channahon's Retiree Health Care Plan (Plan) is a single employer defined post-employment health care plan that covers eligible retired employees of the Village. The Plan, which is administered by the Village, allows employees who retire and meet eligibility requirements under the applicable retirement plan to continue medical insurance coverage as a participant in the Village's plan.

Benefits Provided

A retired employee and his or her spouse are eligible to continue health insurance identical to active employees if they meet the eligibility for retirements under the applicable Plan. The retiree is responsible for paying the entire monthly premium for health coverage and that of any covered spouse or eligible dependents.

Employees Covered by Benefit Terms

As of April 30, 2019, the following employees were covered by the benefit terms:

Active plan members	29	
Inactive plan members entitled to but not yet receiving benefits	-	
Inactive plan members or beneficiaries currently receiving benefits	1	
Total	30	

Village of Channahon, Illinois
 NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE J - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Retiree Health Plan (RHP) (Continued)

OPEB Expense

The GASB 75 valuation was performed utilizing the Alternative Measurement Method for small plans as permitted under GASB 75. Under GASB 75 as it applies to plans that qualify for the Alternative Measurement Method, changes in the total OPEB liability are not permitted to be included in deferred outflows of resources or deferred inflows of resources related to OPEB. These changes will be immediately recognized through OPEB expense. For the year ended April 30, 2019, the Village will recognize OPEB expense of \$59,956.

Total OPEB Liability

The Village's total OPEB liability was measured as of April 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

The total OPEB liability was determined by an actuarial valuation performed as of April 30, 2019 using the following actuarial methods and assumptions:

Actuarial valuation date	April 30, 2019
Measurement date	April 30, 2019
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50%
Discount rate	3.21%
Salary increases	2.50%
Healthcare	8.00% initial 4.00% ultimate (54 years to ultimate)

Mortality Rates: Retirement and Beneficiary Annuitants: RP-2000 Combined Health Mortality Table projected to the valuation date using Projection Scale AA.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE J - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Retiree Health Plan (RHP) (Continued)

Total OPEB Liability (Continued)

Health Care Participation: 20% of non-union employees are assumed to participate in the Plan. 0% of union employees and 50% of non-union electing spouses are assumed to elect coverage with the Plan.

Marital Status: 100% of employees electing Village coverage are assumed to be married and to elect spousal coverage with males three years older than females.

Discount Rate

The Village does not have a dedicated Trust to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). A rate of 3.21% is used, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of April 30, 2019.

Changes in the Total OPEB Liability

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
Balances at May 1, 2018	\$ 466,455	\$ -	\$ 466,455
Changes for the year:			
Service cost	12,514	-	12,514
Interest on the total OPEB liability	17,117	-	17,117
Changes of assumptions and other inputs	27,325	-	27,325
Benefit payments	(14,965)	-	(14,965)
Net changes	<u>41,991</u>	-	<u>41,991</u>
Balances at April 30, 2019	<u>\$ 508,446</u>	<u>\$ -</u>	<u>\$ 508,446</u>

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE J - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Retiree Health Plan (RHP) (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the plan's total OPEB liability, calculated using a Single Discount Rate of 3.21%, as well as what the plan's total OPEB liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

	1% Lower (2.21%)	Current Discount Rate (3.21%)	1% Higher (4.21%)
	<u> </u>	<u> </u>	<u> </u>
Total OPEB liability	\$ 583,276	\$ 508,446	\$ 446,787
	<u> </u>	<u> </u>	<u> </u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the plan's net OPEB liability, calculated using a Healthcare Trend Rate range of 4.00%-8.00%, as well as what the plan's net OPEB liability would be if it were calculated using a Healthcare Trend Rate range that is 1% lower or 1% higher than the current range:

	1% Lower (3.00%- 7.00%)	Current Healthcare Rate (4.00%- 8.00%)	1% Higher (5.00%- 9.00%)
	<u> </u>	<u> </u>	<u> </u>
Total OPEB liability	\$ 445,918	\$ 508,446	\$ 584,002
	<u> </u>	<u> </u>	<u> </u>

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE K - CONDUIT DEBT

The following bonds, which are not included in the financial statements of the Village, bear the Village's name:

Revenue Bonds - Series 2003, 2009, and 2013. These bonds are special limited obligations of nongovernmental entities. The bonds are not general obligations of the Village and the Village is not liable for the repayment of the bonds. During the fiscal year ended April 30, 2003 and 2009, the Village issued Variable Rate Deferred Revenue Bonds Series 2003 (Morris Hospital Project) and First Mortgage Revenue Bonds, Series 2009 (Morris Hospital Project), in the aggregate amounts of \$27,220,000 and \$15,000,000, respectively, for new construction that will result in immediate care health facilities. The bonds are secured by a first mortgage on the facility. Repayment of the bonds is the responsibility of Morris Hospital Group. In 2013, Revenue Refunding Bonds, Series 2013 were issued by Morris Hospital Group in the amount of \$6,000,000. Additionally, in 2018, Upper Illinois River Valley Development Authority Bonds, Series 2018 were issued in the amount of \$74,590,000. The total conduit debt outstanding at April 30, 2019 was approximately \$111,200,000.

NOTE L - SALES TAX REBATE LIABILITY

Several years ago, the Village entered into sales tax rebate agreements with various companies. Subsequent to the agreements, the State of Illinois' sales tax sourcing laws were revised. In addition, several governmental entities challenged the appropriateness of the sales tax rebate agreements. As a result, the Village ceased payments to the companies until all matters of the appropriateness of the rebates were settled. The Village had accrued \$6,724,863 related to rebates earned by the companies prior to the agreements being terminated. During fiscal year 2019, the Village made a sales tax rebate payment in the amount of approximately \$5,700,000, reducing the liability to approximately \$1,000,000 at April 30, 2019. This amount is included as a liability within accounts payable on the statement of net position and the governmental funds balance sheet.

NOTE M - INCENTIVE AGREEMENTS

In February 2015, the Village entered into an incentive agreement with a developer related to business property development and roadway improvements. Under the agreement, the Village will share certain tax revenues (net incremental real estate tax revenue contributed to the T.I.F., plus sales tax, fuel tax and hotel tax) generated from business with the developer two times per year up to \$3,100,000. The first payment shall be made on or about July 15th and the second on or about January 15th of each calendar year that the agreement is in effect. Revenues will be shared as follows: the first \$125,000 of annual project revenue will be paid entirely to the Village; the next \$600,000 of annual project revenue shall be paid entirely to the developer; the annual project revenue in excess of \$725,000 shall be split equally between the Village and developer. After the developer has been paid in full, or if the agreement has expired, whichever occurs first, the Village shall retain the entire amount of project revenues. Two payments totaling approximately \$535,000 were made during fiscal year 2019. The agreement will expire on January 15, 2028.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE M - INCENTIVE AGREEMENTS (Continued)

In June 2018, the Village entered into an agreement with a developer related to the opening of a travel stop in the Village. As part of the development of the business, there are various road improvements needed. The developer is responsible for constructing those improvements. Provided that construction is completed in accordance with the terms of the agreement, the Village shall reimburse the owner for 50% of all of the associated costs, including but not limited to design, engineering, equipment, labor and general and supplemental conditions. The Village shall repay the owner through a partial rebate of the Village's diesel tax revenue. The Village shall make rebate payments to the owner of 50% of the diesel fuel taxes collected on the property on a quarterly basis, with such payments by the Village commencing on the first day of the second full calendar quarter following the date on which the Village receives diesel taxes from the property after the completion of the road improvements and signalization projects. These rebate payments shall continue on the first day of each calendar quarter thereafter until the owner has been repaid 50% of the actual cost, or 5 years, whichever occurs first. No payments have been made in relation to this agreement as of April 30, 2019.

In January 2019, the Village entered into an agreement with a developer who wishes to construct and operate a diesel fueling center and convenience store within the Village. The Village shall be responsible for the design and construction of intersection and roadway improvements, and the developer shall pay the Village \$41,300 and \$632,265, respectively, for the cost of these improvements. The Village shall then reimburse the developer for the cost of the roadway improvements, neighboring property improvements and Frontage Road water main and sewer extension costs, totaling \$955,818, by rebating the developer 50% of the sales tax and village fuel tax increment. In each year in which an increment exists, the Village shall pay 50% of that increment to the developer, and payment shall continue until August 30, 2029 or the developer has been paid the sum of \$955,818, whichever occurs first. No payments have been made in relation to this agreement as of April 30, 2019.

NOTE N - OPERATING LEASE

The Village has a lease agreement for printers that requires sixty monthly payments at \$880 per month. During fiscal year 2019, the Village amended the lease to add an additional printer for the remaining life of the lease at an additional cost of \$174 per month. Total lease expense for fiscal year 2019 was approximately \$11,000.

As of April 30, 2019, the total future minimum lease payments required under this operating lease are as follows:

<u>Years ending</u>	<u>Amount</u>
2020	\$ 12,644
2021	12,644
2022	12,644
2023	<u>2,107</u>
Total	<u>\$ 40,039</u>

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE O - CONTINGENCIES AND COMMITMENTS

1. Grants

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

2. Litigation

As of April 30, 2019, the Village had a lawsuit pending against it with Cook County Illinois. The pending lawsuit involve the appropriateness of sales tax agreements entered into by the Village with various developers. The Village, along with the developers, is vigorously defending both lawsuits which seek a declaration that the tax rebate agreements are not appropriate under Illinois law, a repayment of sales tax dollars received by the Village plus penalties and interest as well as other relief. The Village and other defendants continue to file motions to dismiss the lawsuit citing various legal arguments. It is management's belief that the likelihood for an adverse outcome is not high. Management has determined that any settlements that arise from this matter would be a reduction of currently accrued sales tax rebates due as part of an agreement (Note L), as any amounts paid to the plaintiffs would be offset by an equal amount that would reduce the amount owed to the developers mentioned in Note L.

In addition to the matters referenced above, from time to time, the Village is involved in legal and administrative proceedings with respect to employment, civil rights, property taxes appeals and other matters. Although the Village is unable to predict the outcome of these matters, the Village believes that any appropriate liabilities have been established and that the final outcome of these actions will not have a material adverse effect on the results of operations or the financial position of the Village.

3. Construction Commitments

The Village has certain contracts for several construction projects that were in progress at April 30, 2019. Future commitments under these contracts were approximately \$11,663,000 at April 30, 2019.

NOTE P - PRIOR PERIOD ADJUSTMENT

The implementation of GASB 75 (Note A-2) required the Village to report its total other postemployment benefit liability related to its unfunded retiree health plan. As a result of this implementation as of May 1, 2018, net position of the governmental activities decreased and OPEB liabilities (included in long-term liabilities) increased by \$345,177, and net position of the business-type activities decreased and OPEB liabilities increased by \$121,278.

Village of Channahon, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2019

NOTE Q - SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 16, 2019, the date that these financial statements were available to be issued. Management has determined that no events or transactions, other than those noted below, have occurred subsequent to the statement of net position date that require disclosure in the financial statements.

In May 2019, the Village entered into a \$9,500,000 loan agreement with the Illinois Environmental Protection Agency. The proceeds from the loan will be used towards the expansion of the Village's wastewater treatment plant. The loan bears interest at 1.64%. Payments will be made semi-annually beginning on May 28, 2021 through November 28, 2040. Additionally, subsequent to year-end, the Village dissolved the Police Pension Expense Fund and the Motor Fuel Tax Bond Fund. Balances from these funds have been transferred to the Police Pension Trust Fund and the Motor Fuel Tax and Capital Infrastructure Funds, respectively.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Village of Channahon, Illinois
Illinois Municipal Retirement Fund
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Regular Plan
Five Most Recent Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability			
Service cost	\$ 224,385	\$ 238,191	\$ 245,370
Interest on the total pension liability	835,584	820,577	780,572
Difference between expected and actual experience of the total pension liability	253,130	(27,442)	(49,177)
Assumption changes	382,580	(362,007)	(88,080)
Benefit payments and refunds	<u>(475,122)</u>	<u>(449,539)</u>	<u>(421,718)</u>
Net change in total pension liability	1,220,557	219,780	466,967
Total pension liability, beginning	11,266,483	11,046,703	10,579,736
Total pension liability, ending	<u>\$ 12,487,040</u>	<u>\$ 11,266,483</u>	<u>\$ 11,046,703</u>
Plan fiduciary net position			
Contributions, employer	\$ 431,604	\$ 398,358	\$ 357,573
Contributions, employee	102,806	94,101	94,541
Net investment income	(509,182)	1,444,583	525,881
Benefit payments, including refunds of employee contributions	(475,122)	(449,539)	(421,718)
Other (net transfer)	<u>194,107</u>	<u>(129,342)</u>	<u>37,116</u>
Net change in plan fiduciary net position	(255,787)	1,358,161	593,393
Plan fiduciary net position, beginning	9,495,634	8,137,473	7,544,080
Plan fiduciary net position, ending	<u>\$ 9,239,847</u>	<u>\$ 9,495,634</u>	<u>\$ 8,137,473</u>
Net pension liability	<u>\$ 3,247,193</u>	<u>\$ 1,770,849</u>	<u>\$ 2,909,230</u>
Plan fiduciary net position as a percentage of the total pension liability	74.00 %	84.28 %	73.66 %
Covered valuation payroll	\$ 2,246,767	\$ 2,091,119	\$ 2,100,900
Net pension liability as a percentage of covered valuation payroll	144.53 %	84.68 %	138.48 %

Note: The Village implemented GASB 68 for the Illinois Municipal Retirement Fund beginning with its fiscal year ended April 30, 2016; therefore 10 years of information is not available.

Note: Actuary valuations are as of December 31st, which is 4 months prior to the end of the fiscal year.

	<u>2016</u>	<u>2015</u>
\$	242,402	\$ 252,079
	716,210	611,319
	317,658	593,991
	27,866	351,462
	<u>(407,743)</u>	<u>(344,353)</u>
	896,393	1,464,498
	9,683,343	8,218,845
\$	<u><u>10,579,736</u></u>	<u><u>9,683,343</u></u>

\$	281,357	\$ 274,080
	124,825	130,603
	36,752	420,912
	(407,743)	(344,353)
	<u>157,790</u>	<u>(179)</u>
	192,981	481,063
	<u>7,351,099</u>	<u>6,870,036</u>
\$	<u><u>7,544,080</u></u>	<u><u>7,351,099</u></u>
\$	<u><u>3,035,656</u></u>	<u><u>2,332,244</u></u>

71.31 % 75.91 %

\$ 2,052,210 \$ 2,053,036

147.92 % 113.60 %

Village of Channahon, Illinois
Illinois Municipal Retirement Fund
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Sheriff's Law Enforcement Personnel (SLEP)
Five Most Recent Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension (asset) liability			
Service cost	\$ -	\$ -	\$ -
Interest on the total pension (asset) liability	-	-	-
Difference between expected and actual experience of the total pension (asset) liability	-	-	-
Assumption changes	-	-	-
Benefit payments and refunds	-	-	-
Net change in total pension liability	<u>-</u>	<u>-</u>	<u>-</u>
Total pension liability, beginning	<u>-</u>	<u>-</u>	<u>-</u>
Total pension liability, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Plan fiduciary net position			
Contributions, employer	\$ -	\$ -	\$ -
Contributions, employee	-	-	-
Net investment income	(9,502)	19,839	6,322
Benefit payments, including refunds of employee contributions	-	-	-
Other (net transfer)	311	(212)	187
Net change in plan fiduciary net position	<u>(9,191)</u>	<u>19,627</u>	<u>6,509</u>
Plan fiduciary net position, beginning	<u>118,178</u>	<u>98,551</u>	<u>92,042</u>
Plan fiduciary net position, ending	<u><u>\$ 108,987</u></u>	<u><u>\$ 118,178</u></u>	<u><u>\$ 98,551</u></u>
Net pension asset	<u><u>\$ (108,987)</u></u>	<u><u>\$ (118,178)</u></u>	<u><u>\$ (98,551)</u></u>
Plan fiduciary net position as a percentage of the total pension (asset) liability	NA	NA	NA
Covered Valuation Payroll	\$ -	\$ -	\$ -
Net pension (asset) liability as a percentage of covered valuation payroll	NA	NA	NA

Note: The Village implemented GASB 68 for the Illinois Municipal Retirement Fund beginning with its fiscal year ended April 30, 2016; therefore 10 years of information is not available.

Note: Actuary valuations are as of December 31st, which is 4 months prior to the end of the fiscal year.

	<u>2016</u>	<u>2015</u>
\$	-	\$ 19,759
	-	9,302
	-	(117,803)
	-	-
	-	(50,798)
	<u>-</u>	<u>(139,540)</u>
	<u>-</u>	<u>139,540</u>
\$	<u><u>-</u></u>	<u><u>-</u></u>

\$	-	\$ 6,075
	-	2,998
	527	8,005
	-	(50,798)
	<u>(13,840)</u>	<u>(13,021)</u>
	<u>(13,313)</u>	<u>(46,741)</u>
	<u>105,355</u>	<u>152,096</u>
\$	<u><u>92,042</u></u>	<u><u>105,355</u></u>
\$	<u><u>(92,042)</u></u>	<u><u>(105,355)</u></u>

NA	NA
----	----

\$	-	\$ 39,970
----	---	-----------

NA	(263.59) %
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Village of Channahon, Illinois
 Illinois Municipal Retirement Fund
 MULTIYEAR SCHEDULE OF CONTRIBUTIONS
Five Most Recent Fiscal Years

Regular Plan

	Actuarially Determined Contribution	Actual Contribution	Contribution Excess (Deficiency)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2019	\$ 431,604 *	\$ 431,604	\$ -	\$ 2,246,767	19.21 %
2018	398,358	398,358	-	2,091,119	19.05
2017	357,573	357,573	-	2,100,900	17.02
2016	281,358	281,357	1	2,052,210	13.71
2015	274,080	274,080	-	2,053,036	13.35

Sheriff's Law Enforcement Personnel (SLEP)

	Actuarially Determined Contribution	Actual Contribution	Contribution Excess (Deficiency)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2019	\$ - **	\$ -	\$ -	\$ -	NA
2018	-	-	-	-	NA
2017	-	-	-	-	NA
2016	-	-	-	-	NA
2015	6,075	6,075	-	39,970	15.20 %

* Estimated based on contribution rate of 19.21% and covered valuation payroll of \$2,246,767 (most recent information available).

** Estimated based on contribution rate of 13.28% and covered valuation payroll of \$0 (most recent information available).

Note: The Village implemented GASB 68 for the Illinois Municipal Retirement Fund beginning with its fiscal year ended April 30, 2016; therefore 10 years of information is not available.

Village of Channahon, Illinois
 Illinois Municipal Retirement Fund
 MULTIYEAR SCHEDULE OF CONTRIBUTIONS
Five Most Recent Fiscal Years

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

Methods and Assumptions Used to Determine 2018 Contribution Rates*:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll (Closed)
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period Taxing bodies (Regular, SLEP and ECO groups): 25-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 20 years for most employers (two employers were financed over 29 years).
Asset Valuation Method	5-Year Smoothed Market Value; 20% corridor
Wage growth	3.50%
Price Inflation	2.75%
Salary Increases	3.75% to 14.50%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 - 2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

*Based on valuation assumptions used in the December 31, 2016 actuarial valuation.

Village of Channahon, Illinois

Police Pension Trust Fund

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

April 30, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability			
Service cost	\$ 454,581	\$ 498,819	\$ 469,431
Interest on the total pension liability	983,185	919,385	845,433
Difference between expected and actual experience of the total pension liability	(79,610)	164,722	35,472
Assumption changes	556,310	242,781	-
Benefit payments and refunds	<u>(357,368)</u>	<u>(342,295)</u>	<u>(304,256)</u>
Net change in total pension liability	1,557,098	1,483,412	1,046,080
Total pension liability, beginning	<u>14,289,808</u>	<u>12,806,396</u>	<u>11,760,316</u>
Total pension liability, ending	<u>\$ 15,846,906</u>	<u>\$ 14,289,808</u>	<u>\$ 12,806,396</u>
Plan fiduciary net position			
Contributions, employer	\$ 737,881	\$ 811,042	\$ 582,707
Contributions, employee	212,509	185,127	206,225
Net investment income (loss)	524,439	421,245	466,962
Benefit payments, including refunds of employee contributions	(357,368)	(342,295)	(304,256)
Administrative expense	<u>(30,510)</u>	<u>(26,709)</u>	<u>(27,612)</u>
Net change in plan fiduciary net position	1,086,951	1,048,410	924,026
Plan fiduciary net position, beginning	8,886,941	7,838,531	6,914,505
Adjustment to beginning of year	4,050	-	-
Plan fiduciary net position, ending	<u>\$ 9,977,942</u>	<u>\$ 8,886,941</u>	<u>\$ 7,838,531</u>
Net pension liability	<u>\$ 5,868,964</u>	<u>\$ 5,402,867</u>	<u>\$ 4,967,865</u>
Plan fiduciary net position as a percentage of the total pension liability	62.96 %	62.19 %	61.21 %
Covered valuation payroll	\$ 2,052,259	\$ 1,859,785	\$ 2,080,979
Net pension liability as a percentage of covered valuation payroll	285.98 %	290.51 %	238.73 %

Note: The Police Pension Fund implemented GASB 67 beginning with its fiscal year ended April 30, 2016; therefore, 10 years of information is not available.

Changes of Assumptions : For the measurement date April 30, 2019, assumption changes included updated mortality rates to reflect the PubS-2010 tables and a decreased payroll growth assumption from 4.00% to 3.50%.

	<u>2016</u>		<u>2015</u>
\$	473,127	\$	448,278
	872,398		717,336
	(1,293,798)		48,892
	(154,744)		830,657
	(252,724)		(353,527)
	<u>(355,741)</u>		<u>1,691,636</u>
	12,116,057		10,424,421
\$	<u><u>11,760,316</u></u>	\$	<u><u>12,116,057</u></u>
\$	562,298	\$	511,620
	195,170		167,057
	(63,608)		296,735
	(252,724)		(353,527)
	(18,611)		(34,717)
	<u>422,525</u>		<u>587,168</u>
	6,491,980		5,904,812
	<u>-</u>		<u>-</u>
\$	<u><u>6,914,505</u></u>	\$	<u><u>6,491,980</u></u>
\$	<u><u>4,845,811</u></u>	\$	<u><u>5,624,077</u></u>
	58.80 %		53.58 %
\$	1,797,855	\$	1,772,010
	269.53 %		317.38 %

Village of Channahon, Illinois
 Police Pension Trust Fund
 MULTIYEAR SCHEDULE OF INVESTMENT RETURNS
April 30, 2019

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2019	5.63%
2018	8.06%
2017	See below
2016	(1.13%)
2015	3.44%
<u>Investment Advisor</u>	<u>Fiscal Year 2017 Money-Weighted Return for Portion of Fund Managed</u>
Bernardi Asset Management	1.62%
Edward Jones	13.71%
Morgan Stanley	14.06%
Safe Harbor Retirement Consultants	8.50%

Note: The Police Pension Fund implemented GASB 67 beginning with its fiscal year ended April 30, 2015; therefore, 10 years of information is not available.

Village of Channahon, Illinois

SCHEDULE OF CHANGES IN TOTAL OTHER POSTRETIREMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS

Retiree Health Plan

Most Recent Fiscal Year

	2019
Total OPEB liability	
Service cost	\$ 12,514
Interest on the total OPEB liability	17,117
Changes of assumptions and other inputs	27,325
Benefit payments, including the implicit rate subsidy	(14,965)
Net change in total OPEB liability	41,991
Total OPEB liability, beginning	466,455
Total OPEB liability, ending	\$ 508,446
Plan fiduciary net position	
Contributions, employer	\$ -
Contributions, employee	-
Net investment income	-
Benefit payments, including refunds of employee contributions	-
Other (net transfer)	-
Net change in plan fiduciary net position	-
Plan fiduciary net position, beginning	-
Plan fiduciary net position, ending	\$ -
Net OPEB liability	\$ 508,446
Plan fiduciary net position as a percentage of the total OPEB liability	0.00 %
Covered Valuation Payroll	\$ 2,631,930
Net OPEB liability as a percentage of covered valuation payroll	19.32 %

Note: The Village implemented GASB 75 beginning with its fiscal year ended April 30, 2019; therefore, 10 years of information is not available.

Village of Channahon, Illinois

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	Original Budget	Amended and Final Budget	Actual	Variance Over / (Under)
Revenues				
Property taxes	\$ 1,025,000	\$ 802,000	\$ 672,270	\$ (129,730)
Other taxes	1,226,550	1,174,900	1,337,050	162,150
Intergovernmental	2,868,800	2,813,400	3,245,115	431,715
Payments in lieu of taxes	193,800	193,800	494,492	300,692
Licenses and permits	398,500	324,700	325,873	1,173
Fines and fees	117,200	105,000	167,671	62,671
Charges for services	374,000	349,300	401,387	52,087
Interest income	80,500	79,100	368,652	289,552
Grants and allotments	999,220	9,100	99,169	90,069
Miscellaneous income	205,550	111,600	380,577	268,977
Total revenues	7,489,120	5,962,900	7,492,256	1,529,356
Expenditures				
Current				
General government	1,297,687	1,402,537	1,249,475	(153,062)
Public safety	3,378,335	3,415,085	3,254,579	(160,506)
Streets and bridges	1,440,153	1,690,153	1,527,540	(162,613)
Community development	535,920	541,810	490,688	(51,122)
Capital outlay	1,703,775	1,706,975	488,118	(1,218,857)
Debt service				
Principal	386,250	386,250	386,250	-
Interest and other	53,996	53,996	53,792	(204)
Total expenditures	8,796,116	9,196,806	7,450,442	(1,746,364)
Excess (deficiency) of revenues over expenditures	(1,306,996)	(3,233,906)	41,814	3,275,720
Other financing sources (uses)				
Sale of capital assets	5,000	5,000	11,125	6,125
Transfers in	1,082,400	1,495,832	1,496,119	287
Transfers out	(40,000)	(379,500)	(379,427)	73
Total other financing sources (uses)	1,047,400	1,121,332	1,127,817	6,485
Net change in fund balance	\$ (259,596)	\$ (2,112,574)	1,169,631	\$ 3,282,205
Fund balance				
Beginning of year			12,782,702	
End of year			\$ 13,952,333	

Village of Channahon, Illinois

T.I.F. District Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues				
Property taxes	\$ 7,800,000	\$ 7,800,000	\$ 7,936,907	\$ 136,907
Interest income	12,000	12,000	5,274	(6,726)
Total revenues	<u>7,812,000</u>	<u>7,812,000</u>	<u>7,942,181</u>	<u>130,181</u>
Expenditures				
General government				
Taxing district surplus distribution	5,000,000	5,004,000	5,003,588	(412)
Redevelopment agreement payments	2,000,000	2,102,000	2,101,019	(981)
Legal and other professional fees	1,500	1,500	1,304	(196)
Dues and subscriptions	650	650	650	-
Miscellaneous	-	91,900	16,841	(75,059)
Total general government	<u>7,002,150</u>	<u>7,200,050</u>	<u>7,123,402</u>	<u>(76,648)</u>
Debt service				
Bond principal	730,000	730,000	730,000	-
Bond interest	59,600	59,600	59,600	-
Bond paying agent fees	4,000	4,000	4,000	-
Total debt service	<u>793,600</u>	<u>793,600</u>	<u>793,600</u>	<u>-</u>
Total expenditures	<u>7,795,750</u>	<u>7,993,650</u>	<u>7,917,002</u>	<u>(76,648)</u>
Net change in fund balance	\$ <u>16,250</u>	\$ <u>(181,650)</u>	25,179	\$ <u>206,829</u>
Fund balance				
Beginning of year			<u>485,923</u>	
End of year			<u>\$ 511,102</u>	

Village of Channahon, Illinois
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
April 30, 2019

NOTE A - BUDGETS

The Village prepares its budget ordinance in accordance with generally accepted accounting principles. The annual budgets lapse at fiscal year-end.

1. Prior to the beginning of the new fiscal year (May 1st), the Budget Officer submits to the Village Board a proposed operating budget ordinance for the fiscal year commencing May 1st. The operating budget ordinance includes proposed expenditures and estimated revenues.
2. The Village Board holds public hearings to discuss the proposed budget ordinance.
3. After approval of the budget by the Village Board, it is officially adopted by ordinance. State statutes and local ordinances require that the budget ordinance be approved prior to the beginning of the current fiscal year.
4. The Budget Officer can authorize revisions to the budget line items within a fund. Revisions to the budget between funds may be made in accordance with the Illinois Compiled Statutes (65 ILCS 5/8), requiring two-thirds vote of the Village Board. The legal level of control is at the individual fund level. All unencumbered budget items lapse at fiscal year-end.
5. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Capital Projects and Debt Service Funds through an internal reporting system. Although not legally required under Illinois Statutes, the Village also prepares budgets as a control device for the proprietary fund. Such budgetary integration permits the Village's department managers to monitor actual revenues and expenditures relative to budgets on an ongoing basis throughout the year.
6. The budget for each fund is prepared on the basis of accounting which does not differ from the method of accounting described in the "Basis of Accounting".
7. The original budget was adopted by the Village Board on April 2, 2018, and was amended by the Village Board on June 17, 2019.

SUPPLEMENTARY FINANCIAL INFORMATION

Village of Channahon, Illinois

General Fund

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL

Year Ended April 30, 2019

	Original Budget	Amended and Final Budget	Actual	Variance Over / (Under)
Revenues				
Taxes				
Property				
General	\$ 670,000	\$ 455,000	\$ 313,166	\$ (141,834)
Police	220,000	220,000	231,775	11,775
Road and bridge	135,000	127,000	127,329	329
Total property taxes	1,025,000	802,000	672,270	(129,730)
Other taxes				
Mobile home	950	700	727	27
Village sales tax	900,000	900,000	872,492	(27,508)
Village transfer tax	180,000	180,000	368,350	188,350
Mobile home rental tax	8,200	8,200	8,158	(42)
Hotel & motel tax	42,000	34,000	35,107	1,107
Village gaming tax	3,400	3,400	3,500	100
Dedicated Village sales taxes	50,000	34,000	34,064	64
Dedicated Village fuel taxes	42,000	14,600	14,652	52
Total other taxes	1,226,550	1,174,900	1,337,050	162,150
Total taxes	2,251,550	1,976,900	2,009,320	32,420
Intergovernmental revenues				
Taxes				
State sales tax	1,050,000	1,050,000	1,198,373	148,373
State income tax	1,150,000	1,150,000	1,298,588	148,588
State use tax	300,000	300,000	381,863	81,863
Personal property replacement tax	1,300	1,300	1,328	28
Auto rental tax	4,500	4,100	5,333	1,233
Gaming revenue tax	63,000	63,000	99,887	36,887
Excise tax	150,000	120,000	128,309	8,309
Village telecommunications tax	100,000	80,000	85,539	5,539
Dedicated state sale taxes	50,000	45,000	45,895	895
Total intergovernmental taxes	2,868,800	2,813,400	3,245,115	431,715

(Continued)

Village of Channahon, Illinois

General Fund

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues (Continued)				
Intergovernmental grants				
Federal road grants	\$ 561,360	\$ 4,200	\$ 4,284	\$ 84
ITEP grant	436,860	4,900	94,885	89,985
Tobacco enforcement grant	1,000	-	-	-
Total intergovernmental grants	<u>999,220</u>	<u>9,100</u>	<u>99,169</u>	<u>90,069</u>
Total intergovernmental revenues	<u>3,868,020</u>	<u>2,822,500</u>	<u>3,344,284</u>	<u>521,784</u>
Licenses and permits				
Liquor license	31,000	26,000	26,200	200
Business license	10,500	10,500	10,740	240
Vending machine license	4,200	4,200	4,350	150
Solicitors permits	500	400	400	-
Village dog tags	300	300	405	105
Mobile food vendor permits	-	-	400	400
Building permits	350,000	282,000	282,018	18
Application fees	2,000	1,300	1,360	60
Total licenses and permits	<u>398,500</u>	<u>324,700</u>	<u>325,873</u>	<u>1,173</u>
Fines and fees				
Registration fee	500	500	800	300
Overweight permit fees	17,000	17,000	36,145	19,145
Police fines	45,000	35,000	35,154	154
Police fines - warrant fee	500	500	560	60
Compliance tickets	25,200	25,200	48,068	22,868
DUI/law enforcement	9,000	6,800	6,850	50
Impound fees	20,000	20,000	40,094	20,094
Total fines and fees	<u>117,200</u>	<u>105,000</u>	<u>167,671</u>	<u>62,671</u>

(Continued)

Village of Channahon, Illinois

General Fund

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues (Continued)				
Charges for services				
Cadet program revenue	\$ 500	\$ 500	\$ 481	\$ (19)
Ameritech franchise fee	30,000	26,400	25,977	(423)
Cable TV franchise fee	180,000	180,000	182,200	2,200
Ameritech lease	2,800	2,800	2,814	14
City attorney fee	7,000	6,800	6,898	98
Police training	5,000	5,000	16,992	11,992
School district reimbursement	64,700	58,000	58,438	438
Inspection reimbursement	500	100	141	41
Insurance reports	500	500	805	305
Security details	5,000	3,200	3,208	8
Warrior Dash	7,000	-	-	-
Plan review - Public Works	35,000	35,000	72,283	37,283
Plan review - Development	1,000	1,000	1,050	50
Contractor registration	35,000	30,000	30,100	100
Total charges for services	<u>374,000</u>	<u>349,300</u>	<u>401,387</u>	<u>52,087</u>
Payments in lieu of taxes				
TIF payments	<u>193,800</u>	<u>193,800</u>	<u>494,492</u>	<u>300,692</u>
Total payments in lieu of taxes	<u>193,800</u>	<u>193,800</u>	<u>494,492</u>	<u>300,692</u>
Other general revenues				
Interest income	80,500	79,100	368,652	289,552
Miscellaneous revenues	<u>205,550</u>	<u>111,600</u>	<u>380,577</u>	<u>268,977</u>
Total other general revenues	<u>286,050</u>	<u>190,700</u>	<u>749,229</u>	<u>558,529</u>
Total revenues	<u>\$ 7,489,120</u>	<u>\$ 5,962,900</u>	<u>\$ 7,492,256</u>	<u>\$ 1,529,356</u>

(Concluded)

Village of Channahon, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

Year Ended April 30, 2019

Expenditures	Original Budget	Amended and Final Budget	Actual	Variance Over / (Under)
General government				
Salary - Village President	\$ 19,500	\$ 19,500	\$ 18,843	\$ (657)
Salary - Village Liquor Commissioner	720	720	720	-
Salary - Village Trustees	72,708	72,708	68,203	(4,505)
Salary - Village Clerk	9,059	9,059	8,940	(119)
Salary - Village Administrator	123,000	126,000	128,272	2,272
Salary - Administrative Assistant	72,500	72,500	72,520	20
Salary - Administrative Receptionist	53,500	53,500	53,400	(100)
Salary - Office Assistant	38,500	38,500	29,773	(8,727)
Salary - Finance Director	112,000	112,000	107,644	(4,356)
Salary - Human Resources Manager	76,000	76,000	75,997	(3)
Salary - Accountant	55,500	55,500	54,472	(1,028)
Salary - EMA Director	50,000	50,000	1,500	(48,500)
Salary - Accounts Payable/Cash Receipts	53,500	53,500	28,437	(25,063)
Salary - part time, overtime, moving	4,500	8,200	8,367	167
Administrator vehicle allowance	3,600	3,600	3,287	(313)
Employee benefits	95,000	130,400	129,894	(506)
Engineering, legal and other fees	77,000	127,300	102,562	(24,738)
Transportation fees	3,600	3,600	1,018	(2,582)
Professional development	3,000	3,000	1,530	(1,470)
Telephone	21,000	23,000	22,528	(472)
Gasoline	4,000	7,850	7,807	(43)
Dues and subscriptions	21,200	22,100	22,009	(91)
Printing and publishing	7,000	7,000	3,739	(3,261)
Office supplies and postage	15,500	15,600	13,246	(2,354)
Building maintenance/utilities	178,600	180,000	179,819	(181)
Fuel and vehicle maintenance	600	600	80	(520)
Equipment maintenance	11,000	11,000	1,112	(9,888)
Meetings and travel	6,500	7,900	7,384	(516)
Bonds and insurance	4,500	4,550	532	(4,018)
Community events activities	2,000	2,000	1,496	(504)
EMA and alert network	1,000	1,000	870	(130)
Ordinance codification	5,500	5,500	4,425	(1,075)
Economic development	10,000	10,000	10,000	-

(Continued)

Village of Channahon, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

Year Ended April 30, 2019

	Original Budget	Amended and Final Budget	Actual	Variance Over / (Under)
Expenditures (Continued)				
General government (Continued)				
Village President travel/development	\$ 5,500	\$ 7,150	\$ 4,839	\$ (2,311)
Miscellaneous	12,900	13,300	10,767	(2,533)
Land acquisition	-	700	657	(43)
Computers and technology	50,000	50,000	47,375	(2,625)
Equipment lease	13,600	13,600	13,341	(259)
Contingency	4,100	4,100	2,070	(2,030)
Total general government	1,297,687	1,402,537	1,249,475	(153,062)
Public safety				
Salary - Police Chief	117,000	122,000	123,673	1,673
Salary - Deputy Police Chief	222,000	222,000	217,495	(4,505)
Salary - Sergeants	510,500	510,500	518,837	8,337
Salary - Patrolmen	1,168,500	1,170,000	1,145,412	(24,588)
Salary - Network and Other	9,900	9,900	5,200	(4,700)
Salary - Secretary and Clerical	98,500	98,500	98,005	(495)
Salary - Overtime	200,000	200,000	189,769	(10,231)
Stipends	-	2,650	2,653	3
Employee benefits	500,800	522,500	500,188	(22,312)
Uniforms and clothing	29,900	29,900	26,394	(3,506)
Building maintenance	4,500	4,500	407	(4,093)
Equipment maintenance	11,900	11,900	8,245	(3,655)
Vehicle operation and maintenance	78,600	84,000	77,535	(6,465)
Minor equipment	26,100	26,100	10,893	(15,207)
Fingerprinting	2,000	2,000	-	(2,000)
Police commission testing	3,000	3,000	1,502	(1,498)
Training and education expenditures	15,700	15,700	12,090	(3,610)
Range supplies and maintenance	16,800	16,800	7,685	(9,115)
Professional development	2,500	2,600	1,293	(1,307)
Office supplies and postage	25,050	25,050	8,523	(16,527)
Printing and publishing	1,500	1,500	1,019	(481)
Telephone	15,300	15,300	9,177	(6,123)
Utilities	1,500	1,500	786	(714)
Dues and subscriptions	15,335	15,335	15,195	(140)
Community relations	2,200	2,200	1,150	(1,050)

(Continued)

Village of Channahon, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Expenditures (Continued)				
Public safety (Continued)				
Meetings and travel	\$ 6,950	\$ 7,350	\$ 6,127	\$ (1,223)
Legal and professional fees	57,000	57,000	49,844	(7,156)
Dispatch services	221,000	221,000	210,119	(10,881)
Kennel	1,500	1,500	544	(956)
Miscellaneous	7,800	7,800	4,080	(3,720)
Contingency	5,000	5,000	739	(4,261)
Total public safety	<u>3,378,335</u>	<u>3,415,085</u>	<u>3,254,579</u>	<u>(160,506)</u>
Streets and bridges				
Salary - Public Works Director	45,500	45,500	45,120	(380)
Salary - Public Works Assistant	31,167	31,167	30,977	(190)
Salary - Street Laborers	303,750	303,750	301,991	(1,759)
Salary - Inspectors	34,333	34,333	34,036	(297)
Salary - Building Maintenance	57,500	61,000	61,319	319
Salary - Public Works Superintendent	39,333	39,333	39,039	(294)
Salary - Part-time and Pager	24,840	26,540	24,836	(1,704)
Salary - Foreman	26,500	26,500	26,256	(244)
Salary - Overtime	45,000	69,000	68,690	(310)
Employee benefits	263,200	265,000	236,649	(28,351)
Uniforms	9,285	9,285	3,243	(6,042)
Engineering and legal fees	12,000	218,500	235,005	16,505
Professional development	7,110	7,110	1,602	(5,508)
Dues and subscriptions	7,465	7,465	4,620	(2,845)
Permits	1,000	1,250	1,250	-
Telephone and utilities	9,200	10,800	10,094	(706)
Office supplies and postage	5,870	5,870	3,560	(2,310)
Printing and publishing	700	900	688	(212)
Building and grounds maintenance	9,650	9,650	6,100	(3,550)
Equipment maintenance	74,220	74,220	40,793	(33,427)
Vehicle operation and maintenance	62,775	69,725	64,773	(4,952)
Streets and signs maintenance	93,090	93,090	64,141	(28,949)

(Continued)

Village of Channahon, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

Year Ended April 30, 2019

	Original Budget	Amended and Final Budget	Actual	Variance Over / (Under)
Expenditures (Continued)				
Streets and bridges (Continued)				
Street lighting	\$ 75,000	\$ 77,000	\$ 77,080	\$ 80
Salt purchases	108,000	109,500	109,032	(468)
Minor equipment and tools	995	995	184	(811)
Leases and rent	3,300	3,300	1,443	(1,857)
Meetings	250	250	30	(220)
Tree and weed control	48,720	48,720	26,164	(22,556)
Bike path	25,250	25,250	7,575	(17,675)
Mosquito abatement	2,000	2,000	-	(2,000)
Miscellaneous	11,150	11,150	1,250	(9,900)
Contingency	2,000	2,000	-	(2,000)
Total streets and bridges	1,440,153	1,690,153	1,527,540	(162,613)
Community development				
Salary - Planning and Zoning Board	3,800	3,800	1,860	(1,940)
Salary - Director of Development	104,000	104,000	103,829	(171)
Salary - Electrical, Building and Plumbing Inspectors	30,000	30,000	25,500	(4,500)
Salary - Building and Zoning Supervisor	88,000	88,000	88,208	208
Salary - Building and Zoning Asst.	45,500	45,500	45,435	(65)
Salary - Development Clerk	42,000	42,000	42,062	62
Salary - Code Enforcement Officer	49,000	49,000	48,997	(3)
Salary - Overtime	3,900	3,900	1,958	(1,942)
Internship	3,700	3,700	3,654	(46)
Employee benefits	49,360	53,150	47,349	(5,801)
Uniforms	800	800	426	(374)
Engineering, legal and other fees	44,500	44,500	29,932	(14,568)
Planning	1,000	1,000	465	(535)
Professional development	5,510	5,510	3,505	(2,005)
Dues and subscriptions	1,500	1,500	590	(910)
Telephone	3,600	3,600	3,410	(190)
Office supplies and postage	3,000	3,000	1,396	(1,604)
Printing and publishing	3,000	3,000	2,127	(873)

(Continued)

Village of Channahon, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Expenditures (Continued)				
Community development (Continued)				
Vehicle operation and maintenance	\$ 3,500	\$ 5,600	\$ 5,497	\$ (103)
Marketing	35,000	35,000	25,548	(9,452)
Meetings and travel	5,250	5,250	1,333	(3,917)
Weed control	8,000	8,000	7,258	(742)
Miscellaneous	1,000	1,000	349	(651)
Contingency	1,000	1,000	-	(1,000)
Total community development	<u>535,920</u>	<u>541,810</u>	<u>490,688</u>	<u>(51,122)</u>
Capital outlay				
Admin projects	120,000	120,000	88,190	(31,810)
Public safety	78,000	80,000	78,876	(1,124)
Vehicles	26,500	27,700	27,630	(70)
Equipment	141,500	141,500	113,387	(28,113)
Street department improvements	1,337,775	1,337,775	180,035	(1,157,740)
Total capital outlay	<u>1,703,775</u>	<u>1,706,975</u>	<u>488,118</u>	<u>(1,218,857)</u>
Debt service				
Principal	386,250	386,250	386,250	-
Interest and other	53,996	53,996	53,792	(204)
Total debt service	<u>440,246</u>	<u>440,246</u>	<u>440,042</u>	<u>(204)</u>
Total expenditures	<u>\$ 8,796,116</u>	<u>\$ 9,196,806</u>	<u>\$ 7,450,442</u>	<u>\$ (1,746,364)</u>

(Concluded)

Village of Channahon, Illinois

Bluff Road & I-55 Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	Original Budget	Amended and Final Budget	Actual	Variance Over / (Under)
Revenues				
Interest income	\$ 9,500	\$ 9,500	\$ 14,002	\$ 4,502
Miscellaneous income	350,000	32,000	75,869	43,869
Total revenues	<u>359,500</u>	<u>41,500</u>	<u>89,871</u>	<u>48,371</u>
Expenditures				
Streets and bridges				
Engineering fees	100,000	100,000	147,585	47,585
Miscellaneous	-	100	40	(60)
Total streets and bridges	<u>100,000</u>	<u>100,100</u>	<u>147,625</u>	<u>47,525</u>
Capital outlay	<u>2,600,000</u>	<u>2,600,000</u>	<u>2,082,077</u>	<u>(517,923)</u>
Debt service				
Bond payment	228,000	228,000	228,000	-
Bond interest	114,680	114,680	114,680	-
Bond paying agent fees	500	500	238	(262)
Total debt service	<u>343,180</u>	<u>343,180</u>	<u>342,918</u>	<u>(262)</u>
Total expenditures	<u>3,043,180</u>	<u>3,043,280</u>	<u>2,572,620</u>	<u>(470,660)</u>
Deficiency of revenues over expenditures	<u>(2,683,680)</u>	<u>(3,001,780)</u>	<u>(2,482,749)</u>	<u>519,031</u>
Other financing sources (uses)				
Transfers in	-	-	95,132	95,132
Transfers out	-	(632,000)	(631,674)	326
Total other financing sources (uses)	<u>-</u>	<u>(632,000)</u>	<u>(536,542)</u>	<u>326</u>
Net change in fund balance	<u>\$ (2,683,680)</u>	<u>\$ (3,633,780)</u>	<u>(3,019,291)</u>	<u>\$ 519,357</u>
Fund balance				
Beginning of year			<u>3,244,516</u>	
End of year			<u>\$ 225,225</u>	

Village of Channahon, Illinois

Nonmajor Governmental Funds
COMBINING BALANCE SHEET
Year Ended April 30, 2019

	Special Revenue Funds			
	Motor Fuel	Police	D.A.R.E.	IMRF and
	Tax Fund	Forfeiture Fund	Fund	Social Security Fund
ASSETS				
Cash and investments	\$ 565,613	\$ 15,528	\$ 12,658	\$ 125,160
Receivables, net of allowances				
Property taxes	-	-	-	499,431
Intergovernmental	27,801	-	-	-
Other	-	-	-	-
Prepaid items	-	-	-	-
	-	-	-	-
Total assets	\$ 593,414	\$ 15,528	\$ 12,658	\$ 624,591
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 15,236
Infrastructure development liability	-	-	-	-
Due to other funds	-	-	-	-
	-	-	-	-
Total liabilities	-	-	-	15,236
DEFERRED INFLOWS				
Property taxes levied for a future period	-	-	-	499,431
	-	-	-	499,431
Total deferred inflows	-	-	-	499,431
FUND BALANCE (DEFICIT)				
Nonspendable				
Prepays	-	-	-	-
Restricted for				
Debt service	-	-	-	-
Special revenue funds	593,414	15,528	12,658	109,924
Capital projects	-	-	-	-
Unassigned	-	-	-	-
	-	-	-	-
Total fund balance (deficit)	593,414	15,528	12,658	109,924
Total liabilities and fund balance (deficit)	\$ 593,414	\$ 15,528	\$ 12,658	\$ 624,591

Special Revenue Funds

Police Pension Expense Fund	Insurance Fund	Audit Fund	Motor Fuel Tax Bond Fund	TIF Rte. 6 & I-55 Fund
\$ -	\$ 67,051	\$ 77,309	\$ 2,200,931	\$ -
698,850	299,506	20,024	-	66,569
-	-	-	173,419	-
-	14,588	-	-	-
-	12,568	-	-	-
<u>\$ 698,850</u>	<u>\$ 393,713</u>	<u>\$ 97,333</u>	<u>\$ 2,374,350</u>	<u>\$ 66,569</u>
\$ -	\$ 7,166	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	174,682
-	7,166	-	-	174,682
<u>698,850</u>	<u>299,506</u>	<u>20,023</u>	<u>-</u>	<u>66,569</u>
<u>698,850</u>	<u>299,506</u>	<u>20,023</u>	<u>-</u>	<u>66,569</u>
-	12,568	-	-	-
-	-	-	-	-
-	74,473	77,310	2,374,350	-
-	-	-	-	-
-	-	-	-	(174,682)
-	87,041	77,310	2,374,350	(174,682)
<u>\$ 698,850</u>	<u>\$ 393,713</u>	<u>\$ 97,333</u>	<u>\$ 2,374,350</u>	<u>\$ 66,569</u>

(Continued)

Village of Channahon, Illinois

Nonmajor Governmental Funds
COMBINING BALANCE SHEET
Year Ended April 30, 2019

	Special Revenue Funds		Total	Capital Projects Fund
	Capital Infrastructure Fund	Development Repayment Fund	Special Revenue Funds	Rt. 6 and Bradley Intersection Fund
ASSETS				
Cash and investments	\$ 265,692	\$ -	\$ 3,329,942	\$ 834,193
Receivables, net of allowances				
Property taxes	-	-	1,584,380	-
Intergovernmental	-	-	201,220	-
Other	-	-	14,588	-
Prepaid items	-	-	12,568	-
	-	-	12,568	-
Total assets	\$ 265,692	\$ -	\$ 5,142,698	\$ 834,193
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 22,402	\$ 3,615
Infrastructure development liability	-	-	-	-
Due to other funds	-	-	174,682	-
	-	-	174,682	-
Total liabilities	-	-	197,084	3,615
DEFERRED INFLOWS				
Property taxes levied for a future period	-	-	1,584,379	-
	-	-	1,584,379	-
Total deferred inflows	-	-	1,584,379	-
FUND BALANCE (DEFICIT)				
Nonspendable				
Prepays	-	-	12,568	-
Restricted for				
Debt service	-	-	-	-
Special revenue funds	265,692	-	3,523,349	-
Capital projects	-	-	-	830,578
Unassigned	-	-	(174,682)	-
	-	-	(174,682)	-
Total fund balance (deficit)	265,692	-	3,361,235	830,578
Total liabilities and fund balance (deficit)	\$ 265,692	\$ -	\$ 5,142,698	\$ 834,193

<u>Debt Service Fund</u>		Total
<u>Wescom Debt Service Fund</u>		<u>Nonmajor Governmental Funds</u>
\$ 373,365	\$	4,537,500
-		1,584,380
-		201,220
11,963		26,551
<u>-</u>		<u>12,568</u>
<u>\$ 385,328</u>	<u>\$</u>	<u>6,362,219</u>
\$ -	\$	26,017
374,432		374,432
<u>-</u>		<u>174,682</u>
<u>374,432</u>		<u>575,131</u>
<u>-</u>		<u>1,584,379</u>
<u>-</u>		<u>1,584,379</u>
-		12,568
10,896		10,896
-		3,523,349
-		830,578
<u>-</u>		<u>(174,682)</u>
<u>10,896</u>		<u>4,202,709</u>
<u>\$ 385,328</u>	<u>\$</u>	<u>6,362,219</u>
(Concluded)		

Village of Channahon, Illinois
 Nonmajor Governmental Funds
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (DEFICIT)
Year Ended April 30, 2019

	Special Revenue Funds			
	Motor Fuel Tax Fund	Police Forfeiture Fund	D.A.R.E Fund	IMRF and Social Security Fund
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ 594,602
Intergovernmental	-	-	-	-
Payments in lieu of taxes	-	-	-	100,722
Interest income	12,448	27	18	1,592
Grants and allotments	341,007	-	-	-
Miscellaneous income	-	6,778	-	-
Total revenues	<u>353,455</u>	<u>6,805</u>	<u>18</u>	<u>696,916</u>
Expenditures				
Current				
General government	-	-	-	-
Streets and bridges	473,290	-	-	-
Employee benefits and pension	-	-	-	644,116
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	225,000	-	-	-
Interest and other	9,210	-	-	-
Total expenditures	<u>707,500</u>	<u>-</u>	<u>-</u>	<u>644,116</u>
Excess (deficiency) of revenues over expenditures	<u>(354,045)</u>	<u>6,805</u>	<u>18</u>	<u>52,800</u>
Other financing sources (uses)				
Transfers in	1,025	-	-	-
Transfers out	-	-	-	(1,463,580)
Total other financing sources (uses)	<u>1,025</u>	<u>-</u>	<u>-</u>	<u>(1,463,580)</u>
Net change in fund balance (deficit)	<u>(353,020)</u>	<u>6,805</u>	<u>18</u>	<u>(1,410,780)</u>
Fund balance (deficit)				
Beginning of year	<u>946,434</u>	<u>8,723</u>	<u>12,640</u>	<u>1,520,704</u>
End of year	<u>\$ 593,414</u>	<u>\$ 15,528</u>	<u>\$ 12,658</u>	<u>\$ 109,924</u>

Special Revenue Funds

Police Pension Expense Fund	Insurance Fund	Audit Fund	Motor Fuel Tax Bond Fund	TIF Rte. 6 & I-55 Fund
\$ 630,576	\$ 295,117	\$ 39,645	\$ -	\$ 97,675
-	-	-	1,839,400	-
106,811	49,991	6,715	-	-
238	773	258	5,181	-
-	-	-	-	-
-	22,561	-	-	-
<u>737,625</u>	<u>368,442</u>	<u>46,618</u>	<u>1,844,581</u>	<u>97,675</u>
-	275,753	31,800	-	1,059
-	-	-	121,618	-
737,625	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>737,625</u>	<u>275,753</u>	<u>31,800</u>	<u>121,618</u>	<u>1,059</u>
-	92,689	14,818	1,722,963	96,616
-	-	-	-	-
-	-	-	(136,312)	-
-	-	-	(136,312)	-
-	92,689	14,818	1,586,651	96,616
-	(5,648)	62,492	787,699	(271,298)
<u>\$ -</u>	<u>\$ 87,041</u>	<u>\$ 77,310</u>	<u>\$ 2,374,350</u>	<u>\$ (174,682)</u>

(Continued)

Village of Channahon, Illinois
 Nonmajor Governmental Funds
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (DEFICIT)
Year Ended April 30, 2019

	<u>Special Revenue Funds</u>		Total Special Revenue Funds	<u>Capital Projects Fund</u>
	<u>Capital Infrastructure Fund</u>	<u>Development Repayment Fund</u>		Rt. 6 and Bradley Intersection Fund
Revenues				
Property taxes	\$ -	\$ -	\$ 1,657,615	\$ -
Intergovernmental	153,130	-	1,992,530	-
Payments in lieu of taxes	-	-	264,239	-
Interest income	1,213	-	21,748	2,723
Grants and allotments	-	-	341,007	-
Miscellaneous income	-	-	29,339	204,739
Total revenues	<u>154,343</u>	<u>-</u>	<u>4,306,478</u>	<u>207,462</u>
Expenditures				
Current				
General government	-	-	308,612	-
Streets and bridges	-	-	594,908	-
Employee benefits and pension	-	-	1,381,741	-
Community development	-	535,209	535,209	-
Capital outlay	-	-	-	276,989
Debt service				
Principal	-	-	225,000	-
Interest and other	-	-	9,210	-
Total expenditures	<u>-</u>	<u>535,209</u>	<u>3,054,680</u>	<u>276,989</u>
Excess (deficiency) of revenues over expenditures	<u>154,343</u>	<u>(535,209)</u>	<u>1,251,798</u>	<u>(69,527)</u>
Other financing sources (uses)				
Transfers in	-	535,209	536,234	-
Transfers out	<u>(1,025,914)</u>	<u>-</u>	<u>(2,625,806)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,025,914)</u>	<u>535,209</u>	<u>(2,089,572)</u>	<u>-</u>
Net change in fund balance (deficit)	(871,571)	-	(837,774)	(69,527)
Fund balance (deficit)				
Beginning of year	<u>1,137,263</u>	<u>-</u>	<u>4,199,009</u>	<u>900,105</u>
End of year	<u>\$ 265,692</u>	<u>\$ -</u>	<u>\$ 3,361,235</u>	<u>\$ 830,578</u>

Debt Service Fund	Total Nonmajor Governmental Funds
\$ -	\$ 1,657,615
-	1,992,530
-	264,239
5,342	29,813
-	341,007
<u>343,550</u>	<u>577,628</u>
<u>348,892</u>	<u>4,862,832</u>
-	308,612
-	594,908
-	1,381,741
-	535,209
-	276,989
-	-
210,000	435,000
<u>133,978</u>	<u>143,188</u>
<u>343,978</u>	<u>3,675,647</u>
<u>4,914</u>	<u>1,187,185</u>
-	536,234
<u>-</u>	<u>(2,625,806)</u>
<u>-</u>	<u>(2,089,572)</u>
4,914	(902,387)
<u>5,982</u>	<u>5,105,096</u>
<u>\$ 10,896</u>	<u>\$ 4,202,709</u>
	(Concluded)

Village of Channahon, Illinois

Motor Fuel Tax Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues				
Motor fuel tax allotments	\$ 350,050	\$ 340,000	\$ 341,007	\$ 1,007
Interest income	<u>700</u>	<u>700</u>	<u>12,448</u>	<u>11,748</u>
Total revenues	<u>350,750</u>	<u>340,700</u>	<u>353,455</u>	<u>12,755</u>
Expenditures				
Streets and bridges	551,900	551,900	473,290	(78,610)
Bond paying agent fees	800	800	-	(800)
Bond principal	225,000	225,000	225,000	-
Bond interest	9,200	9,200	9,200	-
Miscellaneous	<u>-</u>	<u>100</u>	<u>10</u>	<u>(90)</u>
Total expenditures	<u>786,900</u>	<u>787,000</u>	<u>707,500</u>	<u>(79,500)</u>
Deficiency of revenues over expenditures	<u>(436,150)</u>	<u>(446,300)</u>	<u>(354,045)</u>	<u>92,255</u>
Other financing sources				
Transfers in	<u>-</u>	<u>-</u>	<u>1,025</u>	<u>1,025</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>1,025</u>	<u>1,025</u>
Net change in fund balance	<u>\$ (436,150)</u>	<u>\$ (446,300)</u>	<u>(353,020)</u>	<u>\$ 93,280</u>
Fund balance				
Beginning of year			<u>946,434</u>	
End of year			<u>\$ 593,414</u>	

Village of Channahon, Illinois

Police Forfeiture Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues				
Forfeitures	\$ 500	\$ 500	\$ 6,778	\$ 6,278
Interest income	-	-	27	27
Total revenues	<u>500</u>	<u>500</u>	<u>6,805</u>	<u>6,305</u>
Net change in fund balance	<u>\$ 500</u>	<u>\$ 500</u>	6,805	<u>\$ 6,305</u>
Fund balance				
Beginning of year			<u>8,723</u>	
End of year			<u>\$ 15,528</u>	

Village of Channahon, Illinois

D.A.R.E. Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues				
Interest income	\$ <u>-</u>	\$ <u>-</u>	\$ <u>18</u>	\$ <u>18</u>
Net change in fund balance	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	<u>18</u>	\$ <u><u>18</u></u>
Fund balance				
Beginning of year			<u>12,640</u>	
End of year			\$ <u><u>12,658</u></u>	

Village of Channahon, Illinois

IMRF and Social Security Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	Original Budget	Amended and Final Budget	Actual	Variance Over / (Under)
Revenues				
Property taxes	\$ 620,000	\$ 620,000	\$ 594,602	\$ (25,398)
Payment in lieu of taxes	97,500	97,500	100,722	3,222
Interest income	2,000	1,500	1,592	92
Total revenues	719,500	719,000	696,916	(22,084)
Expenditures				
Administrative - IMRF	118,000	118,000	107,316	(10,684)
Administrative - Social Security	44,000	44,000	39,946	(4,054)
Administrative - Medicare	10,000	10,000	9,342	(658)
Development - IMRF	74,000	74,000	61,283	(12,717)
Development - Social Security	24,000	24,000	20,583	(3,417)
Development - Medicare	6,000	6,000	4,814	(1,186)
Police - IMRF	19,000	19,000	18,232	(768)
Police - Social Security	7,000	7,000	5,984	(1,016)
Police - Medicare	31,000	32,000	32,738	738
Street department - IMRF	104,000	106,500	108,928	2,428
Street department - Social Security	25,000	36,500	37,022	522
Street department - Medicare	6,000	8,500	8,682	182
Police commission - Social Security	100	100	35	(65)
Police commission - Medicare	100	100	8	(92)
Waterworks - IMRF	66,000	68,500	70,158	1,658
Waterworks - Social Security	14,000	22,500	22,924	424
Waterworks - Medicare	4,000	5,300	5,386	86
Sewer - IMRF	62,000	62,000	62,525	525
Sewer - Social Security	13,000	19,700	20,198	498
Sewer - Medicare	3,000	4,700	4,747	47
Refuse - IMRF	3,000	3,000	2,319	(681)
Refuse - Social Security	1,000	1,000	767	(233)
Refuse - Medicare	500	500	179	(321)
Total expenditures	634,700	672,900	644,116	(28,784)
Excess of revenues over expenditures	84,800	46,100	52,800	6,700

(Continued)

Village of Channahon, Illinois

IMRF and Social Security Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Other financing sources (uses)				
Transfers in	\$ 166,500	\$ -	\$ -	\$ -
Transfers out	<u>-</u>	<u>(1,463,600)</u>	<u>(1,463,580)</u>	<u>20</u>
Total other financing sources (uses)	<u>166,500</u>	<u>(1,463,600)</u>	<u>(1,463,580)</u>	<u>20</u>
Net change in fund balance	<u>\$ 251,300</u>	<u>\$ (1,417,500)</u>	<u>(1,410,780)</u>	<u>\$ 6,720</u>
Fund balance				
Beginning of year			<u>1,520,704</u>	
End of year			<u>\$ 109,924</u>	

(Concluded)

Village of Channahon, Illinois

Police Pension Expense Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues				
Property taxes	\$ 637,000	\$ 637,000	\$ 630,576	\$ (6,424)
Payment in lieu of taxes	101,400	101,400	106,811	5,411
Interest income	-	-	238	238
Total revenues	<u>738,400</u>	<u>738,400</u>	<u>737,625</u>	<u>(775)</u>
Expenditures				
Contributions to police pension fund	<u>738,400</u>	<u>738,400</u>	<u>737,625</u>	<u>(775)</u>
Total expenditures	<u>738,400</u>	<u>738,400</u>	<u>737,625</u>	<u>(775)</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	-	\$ <u>-</u>
Fund balance				
Beginning of year			<u>-</u>	
End of year			\$ <u>-</u>	

Village of Channahon, Illinois

Insurance Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues				
Property taxes	\$ 310,000	\$ 310,000	\$ 295,117	\$ (14,883)
Payment in lieu of taxes	46,800	46,800	49,991	3,191
Interest income	-	-	773	773
Miscellaneous income	23,561	22,561	22,561	-
Total revenues	<u>380,361</u>	<u>379,361</u>	<u>368,442</u>	<u>(10,919)</u>
Expenditures				
Risk management contribution	<u>288,561</u>	<u>299,561</u>	<u>275,753</u>	<u>(23,808)</u>
Total expenditures	<u>288,561</u>	<u>299,561</u>	<u>275,753</u>	<u>(23,808)</u>
Net change in fund balance (deficit)	<u>\$ 91,800</u>	<u>\$ 79,800</u>	92,689	<u>\$ 12,889</u>
Fund balance (deficit)				
Beginning of year			<u>(5,648)</u>	
End of year			<u>\$ 87,041</u>	

Village of Channahon, Illinois

Audit Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues				
Property taxes	\$ 40,000	\$ 40,000	\$ 39,645	\$ (355)
Payment in lieu of taxes	7,800	6,700	6,715	15
Interest income	10	10	258	248
	<u>47,810</u>	<u>46,710</u>	<u>46,618</u>	<u>(92)</u>
Total revenues				
Expenditures				
Audit services	<u>44,800</u>	<u>44,800</u>	<u>31,800</u>	<u>(13,000)</u>
	<u>44,800</u>	<u>44,800</u>	<u>31,800</u>	<u>(13,000)</u>
Total expenditures				
Excess of revenues over expenditures	<u>3,010</u>	<u>1,910</u>	<u>14,818</u>	<u>12,908</u>
Other financing sources				
Transfers in	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources				
Net change in fund balance	\$ <u>11,010</u>	\$ <u>1,910</u>	14,818	\$ <u>12,908</u>
Fund balance				
Beginning of year			<u>62,492</u>	
End of year			\$ <u>77,310</u>	

Village of Channahon, Illinois

Motor Fuel Tax Bond

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues				
Village fuel tax	\$ 360,000	\$ 308,000	\$ 308,097	\$ 97
Village diesel fuel tax	145,000	145,000	1,531,303	1,386,303
Interest income	350	350	5,181	4,831
Total revenues	<u>505,350</u>	<u>453,350</u>	<u>1,844,581</u>	<u>1,391,231</u>
Expenditures				
Streets and bridges				
Engineering fees	25,000	25,000	10,668	(14,332)
Streets maintenance road program	407,300	407,300	110,950	(296,350)
Total expenditures	<u>432,300</u>	<u>432,300</u>	<u>121,618</u>	<u>(310,682)</u>
Excess of revenues over expenditures	<u>73,050</u>	<u>21,050</u>	<u>1,722,963</u>	<u>1,701,913</u>
Other financing uses				
Transfers out	-	(136,500)	(136,312)	188
Total other financing uses	<u>-</u>	<u>(136,500)</u>	<u>(136,312)</u>	<u>188</u>
Net change in fund balance	<u>\$ 73,050</u>	<u>\$ (115,450)</u>	<u>1,586,651</u>	<u>\$ 1,702,101</u>
Fund balance				
Beginning of year			<u>787,699</u>	
End of year			<u>\$ 2,374,350</u>	

Village of Channahon, Illinois

TIF Rte. 6 and I-55 Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND DEFICIT - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues				
Property taxes	\$ 50,000	\$ 50,000	\$ 97,675	\$ 47,675
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>97,675</u>	<u>47,675</u>
Expenditures				
Legal fees	500	1,500	1,059	(441)
TIF capital projects	<u>70,000</u>	<u>70,000</u>	<u>-</u>	<u>(70,000)</u>
Total expenditures	<u>70,500</u>	<u>71,500</u>	<u>1,059</u>	<u>(70,441)</u>
Net change in fund deficit	\$ <u>(20,500)</u>	\$ <u>(21,500)</u>	96,616	\$ <u>118,116</u>
Fund deficit				
Beginning of year			<u>(271,298)</u>	
End of year			\$ <u>(174,682)</u>	

Village of Channahon, Illinois

Capital Infrastructure Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues				
Village diesel fuel tax	\$ 1,460,000	\$ 153,000	\$ 153,130	\$ 130
Interest income	<u>1,500</u>	<u>1,200</u>	<u>1,213</u>	<u>13</u>
Total revenues	<u>1,461,500</u>	<u>154,200</u>	<u>154,343</u>	<u>143</u>
Excess of revenues over expenditures	<u>1,461,500</u>	<u>154,200</u>	<u>154,343</u>	<u>143</u>
Other financing uses				
Transfers out	<u>(1,410,000)</u>	<u>(1,410,000)</u>	<u>(1,025,914)</u>	<u>384,086</u>
Total other financing uses	<u>(1,410,000)</u>	<u>(1,410,000)</u>	<u>(1,025,914)</u>	<u>384,086</u>
Net change in fund balance	\$ <u>51,500</u>	\$ <u>(1,255,800)</u>	(871,571)	\$ <u>384,229</u>
Fund balance				
Beginning of year			<u>1,137,263</u>	
End of year			\$ <u>265,692</u>	

Village of Channahon, Illinois

Development Repayment Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Expenditures				
Community development	\$ <u>440,000</u>	\$ <u>535,500</u>	\$ <u>535,209</u>	\$ <u>291</u>
Total expenditures	<u>440,000</u>	<u>535,500</u>	<u>535,209</u>	<u>291</u>
Deficiency of revenues over expenditures	<u>(440,000)</u>	<u>(535,500)</u>	<u>(535,209)</u>	<u>(291)</u>
Other financing sources				
Transfers in	<u>440,000</u>	<u>440,000</u>	<u>535,209</u>	<u>95,209</u>
Total other financing sources	<u>440,000</u>	<u>440,000</u>	<u>535,209</u>	<u>95,209</u>
Net change in fund balance	\$ <u><u>-</u></u>	\$ <u><u>(95,500)</u></u>	-	\$ <u><u>95,500</u></u>
Fund balance				
Beginning of year			<u>-</u>	
End of year			\$ <u><u>-</u></u>	

Village of Channahon, Illinois

Rt. 6 and Bradley Intersection Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues				
Recapture income	\$ -	\$ -	\$ 204,739	\$ 204,739
Interest income	-	-	2,723	2,723
Total revenues	<u>-</u>	<u>-</u>	<u>207,462</u>	<u>207,462</u>
Expenditures				
Engineering fees	-	234,000	276,989	42,989
Total expenditures	<u>-</u>	<u>234,000</u>	<u>276,989</u>	<u>42,989</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (234,000)</u>	<u>(69,527)</u>	<u>\$ 164,473</u>
Fund balance				
Beginning of year			<u>900,105</u>	
End of year			<u>\$ 830,578</u>	

Village of Channahon, Illinois

Wescom Debt Service Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues				
Debt service charge	\$ 343,550	\$ 343,550	\$ 343,550	\$ -
Interest earnings	<u>3,000</u>	<u>3,000</u>	<u>5,342</u>	<u>2,342</u>
Total revenues	<u>346,550</u>	<u>346,550</u>	<u>348,892</u>	<u>2,342</u>
Expenditures				
Bond principal	210,000	210,000	210,000	-
Bond interest	133,550	133,550	133,550	-
Bond paying agent fees	<u>500</u>	<u>500</u>	<u>428</u>	<u>(72)</u>
Total expenditures	<u>344,050</u>	<u>344,050</u>	<u>343,978</u>	<u>(72)</u>
Net change in fund balance	\$ <u><u>2,500</u></u>	\$ <u><u>2,500</u></u>	4,914	\$ <u><u>2,414</u></u>
Fund balance				
Beginning of year			<u>5,982</u>	
End of year			\$ <u><u>10,896</u></u>	

Village of Channahon, Illinois

General Obligation Bonds

Schedule of Debt Service Requirements

April 30, 2019

Fiscal Year Ending April 30,	Series 2011		Series 2013		Series 2016	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 393,750	\$ 43,735	\$ 215,000	\$ 129,350	\$ 471,000	\$ 114,820
2021	408,750	33,300	220,000	125,050	240,000	105,400
2022	423,750	16,949	230,000	116,250	244,000	100,600
2023	-	-	235,000	110,500	248,000	95,720
2024	-	-	240,000	104,625	252,000	90,760
2025	-	-	250,000	95,025	260,000	85,720
2026	-	-	265,000	85,025	268,000	77,920
2027	-	-	275,000	74,425	276,000	69,880
2028	-	-	285,000	63,425	284,000	61,600
2029	-	-	295,000	52,025	296,000	50,240
2030	-	-	305,000	42,880	308,000	38,400
2031	-	-	315,000	32,663	320,000	26,080
2032	-	-	325,000	22,110	332,000	13,280
2033	-	-	335,000	11,222	-	-
Total	<u>\$ 1,226,250</u>	<u>\$ 93,984</u>	<u>\$ 3,790,000</u>	<u>\$ 1,064,575</u>	<u>\$ 3,799,000</u>	<u>\$ 930,420</u>

Total	
Principal	Interest
\$ 1,079,750	\$ 287,905
868,750	263,750
897,750	233,799
483,000	206,220
492,000	195,385
510,000	180,745
533,000	162,945
551,000	144,305
569,000	125,025
591,000	102,265
613,000	81,280
635,000	58,743
657,000	35,390
335,000	11,222
<u>\$ 8,815,250</u>	<u>\$ 2,088,979</u>

Village of Channahon, Illinois
Tax Increment Financing Limited Obligation Revenue Bonds
Schedule of Debt Service Requirements
April 30, 2019

Fiscal Year Ending April 30,	Series 2013	
	Principal	Interest
2020	\$ <u>760,000</u>	\$ <u>30,400</u>

Village of Channahon, Illinois
Waterworks and Sewerage Fund General Obligation Bonds
Schedule of Debt Service Requirements
April 30, 2019

Fiscal Year Ending April 30,	Series 2011		Series 2012	
	Principal	Interest	Principal	Interest
2020	\$ 131,250	\$ 14,578	\$ 590,000	\$ 80,250
2021	136,250	11,100	550,000	65,500
2022	141,250	5,650	520,000	51,750
2023	-	-	475,000	36,150
2024	-	-	485,000	21,900
2025	-	-	245,000	7,350
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
Total	\$ <u>408,750</u>	\$ <u>31,328</u>	\$ <u>2,865,000</u>	\$ <u>262,900</u>

Series 2016		Total	
Principal	Interest	Principal	Interest
\$ 59,000	\$ 27,530	\$ 780,250	\$ 122,358
60,000	26,350	746,250	102,950
61,000	25,150	722,250	82,550
62,000	23,930	537,000	60,080
63,000	22,690	548,000	44,590
65,000	21,430	310,000	28,780
67,000	19,480	67,000	19,480
69,000	17,470	69,000	17,470
71,000	15,400	71,000	15,400
74,000	12,560	74,000	12,560
77,000	9,600	77,000	9,600
80,000	6,520	80,000	6,520
83,000	3,320	83,000	3,320
<u>\$ 891,000</u>	<u>\$ 231,430</u>	<u>\$ 4,164,750</u>	<u>\$ 525,658</u>

STATISTICAL SECTION (Unaudited)

Statistical Section

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

Contents

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Financial Trends

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

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Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.

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Debt Capacity

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

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Demographic and Economic Information

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

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Operating Information

These schedules contain information about the Village's service and resources to help the reader understand how the Village's financial information relates to the services the Village provides and the activities it performs.

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SOURCES: Unless otherwise noted, the information in these schedules is derived from the audited financial statements for the relevant year.

Village of Channahon, Illinois
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2019	2018*	2017**	2016**
Governmental Activities				
Net Investment in Capital Assets	\$ 19,223,871	\$ 18,328,221	\$ 20,211,629	\$ 23,454,088
Restricted	5,113,718	9,112,481	7,578,732	1,932,759
Unrestricted	5,913,504	1,635,121	(3,623,011)	(4,069,234)
Total Governmental Activities				
Net Position	<u>\$ 30,251,093</u>	<u>\$ 29,075,823</u>	<u>\$ 24,167,350</u>	<u>\$ 21,317,613</u>
Business-Type Activities				
Net Investment in Capital Assets	\$ 31,251,603	\$ 28,610,371	\$ 28,947,654	\$ 28,296,459
Unrestricted	6,604,099	3,992,035	2,788,242	2,566,573
Total Business-Type Activities				
Net Position	<u>\$ 37,855,702</u>	<u>\$ 32,602,406</u>	<u>\$ 31,735,896</u>	<u>\$ 30,863,032</u>
Primary Government				
Net Investment in Capital Assets	\$ 50,475,474	\$ 46,938,592	\$ 49,159,283	\$ 51,750,547
Restricted	5,113,718	9,112,481	7,578,732	1,932,759
Unrestricted	12,517,603	5,627,156	(834,769)	(1,502,661)
Total Primary Government				
Net Position	<u>\$ 68,106,795</u>	<u>\$ 61,678,229</u>	<u>\$ 55,903,246</u>	<u>\$ 52,180,645</u>

*As originally reported (See Note P)

**As originally reported

2015	2014	2013	2012	2011	2010
\$ 23,420,672	\$ 24,118,967	\$ 23,261,239	\$ 24,197,329	\$ 14,202,354	\$ 11,578,431
2,085,503	2,026,036	7,640,241	5,762,766	2,427,614	406,383
2,787,269	1,876,901	(115,385)	239,857	240,667	3,589,527
<u>\$ 28,293,444</u>	<u>\$ 28,021,904</u>	<u>\$ 30,786,095</u>	<u>\$ 30,199,952</u>	<u>\$ 16,870,635</u>	<u>\$ 15,574,341</u>
\$ 27,292,694	\$ 27,911,877	\$ 27,330,614	\$ 27,697,358	\$ 22,004,299	\$ 21,214,191
3,067,042	3,023,454	3,375,095	3,488,078	3,614,761	2,877,050
<u>\$ 30,359,736</u>	<u>\$ 30,935,331</u>	<u>\$ 30,705,709</u>	<u>\$ 31,185,436</u>	<u>\$ 25,619,060</u>	<u>\$ 24,091,241</u>
\$ 50,713,366	\$ 52,030,844	\$ 50,591,853	\$ 51,894,687	\$ 36,206,653	\$ 32,792,622
2,085,503	2,026,036	7,640,241	5,762,766	2,427,614	406,383
5,854,311	4,900,355	3,259,710	3,727,935	3,855,428	6,466,577
<u>\$ 58,653,180</u>	<u>\$ 58,957,235</u>	<u>\$ 61,491,804</u>	<u>\$ 61,385,388</u>	<u>\$ 42,489,695</u>	<u>\$ 39,665,582</u>

Village of Channahon, Illinois
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2019	2018*	2017**	2016**
Expenses				
Governmental Activities:				
General Government	\$ 10,534,177	\$ 9,869,479	\$ 8,862,971	\$ 7,995,404
Public Safety	3,286,377	3,135,198	3,226,160	3,745,969
Community Development	1,030,768	1,120,187	407,017	484,355
Streets and Bridges	4,002,874	3,758,010	3,528,654	3,637,545
Interest and Fees	324,290	372,396	503,934	403,335
Total Governmental Activities Expenses	<u>19,178,486</u>	<u>18,255,270</u>	<u>16,528,736</u>	<u>16,266,608</u>
Business-Type Activities:				
Waterworks and Sewerage	3,333,969	3,350,600	3,211,153	3,121,916
Refuse Disposal	904,424	854,717	812,894	820,075
Total Business-Type Activities Expenses	<u>4,238,393</u>	<u>4,205,317</u>	<u>4,024,047</u>	<u>3,941,991</u>
Total Primary Government Expenses	<u><u>\$ 23,416,879</u></u>	<u><u>\$ 22,460,587</u></u>	<u><u>\$ 20,552,783</u></u>	<u><u>\$ 20,208,599</u></u>
Program Revenues				
Governmental Activities:				
Charges for Services				
General Government	\$ 2,162,073	\$ 3,001,119	\$ 1,675,260	\$ 929,281
Public Safety	167,671	136,231	87,689	448,960
Community Development	-	-	-	4,343
Streets and Bridges	325,873	418,321	262,329	-
Operating Grants and Contributions	440,176	535,198	343,400	46,253
Capital Grants and Contributions	1,805,762	1,035,578	1,188,203	1,291,401
Total Governmental Activities				
Program Revenues	<u>4,901,555</u>	<u>5,126,447</u>	<u>3,556,881</u>	<u>2,720,238</u>
Business-Type Activities:				
Charges for Services				
Waterworks and Sewerage	4,355,719	4,064,650	3,335,702	2,854,490
Refuse Disposal	1,040,740	867,921	881,355	801,240
Operating Grants and Contributions	-	-	20,000	-
Capital Grants and Contributions	2,616,056	-	869,532	1,537,528
Total Business-Type Activities				
Program Revenues	<u>8,012,515</u>	<u>4,932,571</u>	<u>5,106,589</u>	<u>5,193,258</u>
Total Primary Government				
Program Revenues	<u><u>\$ 12,914,070</u></u>	<u><u>\$ 10,059,018</u></u>	<u><u>\$ 8,663,470</u></u>	<u><u>\$ 7,913,496</u></u>
Net (Expense)/Revenue				
Governmental Activities	(\$ 14,276,931)	(\$ 13,128,823)	(\$ 12,971,855)	(\$ 13,546,370)
Business-Type Activities	3,774,122	727,254	1,082,542	1,251,267
Total Primary Government Net Expense	<u><u>(\$ 10,502,809)</u></u>	<u><u>(\$ 12,401,569)</u></u>	<u><u>(\$ 11,889,313)</u></u>	<u><u>(\$ 12,295,103)</u></u>

*As originally reported (See Note P)

**As originally reported

2015	2014	2013	2012	2011	2010
\$ 12,187,452	\$ 26,855,724	\$ 20,564,874	\$ 22,956,377	\$ 20,934,083	\$ 20,701,064
3,481,205	3,431,534	3,418,906	3,431,437	3,546,910	3,160,617
454,990	450,280	418,532	605,026	687,753	771,582
4,004,756	4,652,190	3,594,083	3,371,956	775,461	1,197,247
460,638	440,901	587,197	619,881	746,108	819,243
20,589,041	35,830,629	28,583,592	30,984,677	26,690,315	26,649,753
2,903,153	2,885,376	2,931,661	2,933,995	2,777,319	2,690,757
780,395	754,466	727,416	705,270	685,777	679,637
3,683,548	3,639,842	3,659,077	3,639,265	3,463,096	3,370,394
\$ 24,272,589	\$ 39,470,471	\$ 32,242,669	\$ 34,623,942	\$ 30,153,411	\$ 30,020,147
\$ 857,375	\$ 741,800	\$ 743,422	\$ 753,492	\$ 820,896	\$ 804,176
457,751	135,004	152,374	212,593	197,724	142,595
-	-	-	-	-	-
-	-	6,250	2,600	3,950	13,500
51,616	88,728	48,926	31,808	80,945	280,112
780,823	2,042,548	573,491	11,657,433	394,666	348,138
2,147,565	3,008,080	1,524,463	12,657,926	1,498,181	1,588,521
2,417,456	2,448,623	2,465,558	2,370,142	2,174,469	2,388,146
917,764	787,112	762,565	744,700	746,043	696,443
-	-	-	45,986	451,068	-
-	871,461	172,318	6,267,342	1,317,034	843,536
3,335,220	4,107,196	3,400,441	9,428,170	4,688,614	3,928,125
\$ 5,482,785	\$ 7,115,276	\$ 4,924,904	\$ 22,086,096	\$ 6,186,795	\$ 5,516,646
(\$ 18,441,476)	(\$ 32,822,549)	(\$ 27,059,129)	(\$ 18,326,751)	(\$ 25,192,134)	(\$ 25,061,232)
(348,328)	467,354	(258,636)	5,788,905	1,225,518	557,731
(\$ 18,789,804)	(\$ 32,355,195)	(\$ 27,317,765)	(\$ 12,537,846)	(\$ 23,966,616)	(\$ 24,503,501)

(Continued)

Village of Channahon, Illinois

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

	2019	2018*	2017**	2016**
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes	\$10,266,792	\$ 9,940,792	\$ 9,221,854	\$ 8,980,302
Unrestricted Intergovernmental	5,253,098	5,497,386	4,160,859	2,830,229
Other Taxes	1,369,169	1,134,047	1,096,886	1,494,915
Interest	417,741	176,636	80,360	38,328
Other General Revenues	-	-	-	141,613
Transfers	(1,509,422)	(102,369)	231,471	175,536
Total Governmental Activities General Revenues and Other	15,797,378	16,646,492	14,791,430	13,660,923
Business-Type Activities:				
Interest	91,030	36,887	21,793	15,796
Transfers	1,509,422	102,369	(231,471)	(175,536)
Total Business-Type Activities General Revenues and Other	1,600,452	139,256	(209,678)	(159,740)
Total Primary Government General Revenues and Other	\$17,397,830	\$ 16,785,748	\$ 14,581,752	\$ 13,501,183
Change in Net Position				
Governmental Activities	\$ 1,520,447	\$ 3,517,669	\$ 1,819,575	\$ 114,553
Business-Type Activities	5,374,574	866,510	872,864	1,091,527
Total Primary Government	\$ 6,895,021	\$ 4,384,179	\$ 2,692,439	\$ 1,206,080
Other Changes in Net Position				
Adjustment to Beginning Net Position				
Governmental Activities	\$ 345,177	\$ 1,390,804	\$ 1,030,162	\$ 7,090,384
Adjustment to Beginning Net Position				
Business-Type Activities	121,278	-	-	588,231

*As originally reported (See Note P)

**As originally reported

The cumulative effect of net position adjustments was reported as a restatement of the beginning net position balance, as restating all prior periods was not practicable.

2015	2014	2013	2012	2011	2010
\$ 9,122,612	\$ 8,458,632	\$ 7,999,306	\$ 8,180,013	\$ 9,105,512	\$ 9,084,949
5,362,355	11,114,808	10,416,626	12,123,164	9,217,426	9,085,179
3,861,439	9,836,947	8,719,423	11,046,408	8,334,529	8,373,194
31,943	24,974	25,071	23,714	60,626	161,457
99,733	378,498	256,258	50,370	53,244	42,471
234,934	244,499	228,588	232,399	(282,909)	(286,227)
18,713,016	30,058,358	27,645,272	31,656,068	26,488,428	26,461,023
7,667	6,767	7,497	9,870	19,392	42,220
(234,934)	(244,499)	(228,588)	(232,399)	282,909	286,227
(227,267)	(237,732)	(221,091)	(222,529)	302,301	328,447
\$ 18,485,749	\$ 29,820,626	\$ 27,424,181	\$ 31,433,539	\$ 26,790,729	\$ 26,789,470
\$ 271,540	(\$ 2,764,191)	\$ 586,143	\$ 13,329,317	\$ 1,296,294	\$ 1,399,791
(575,595)	229,622	(479,727)	5,566,376	1,527,819	886,178
\$ (304,055)	\$ (2,534,569)	\$ 106,416	\$ 18,895,693	\$ 2,824,113	\$ 2,285,969

\$ - \$ - \$ - \$ - \$ - \$ -

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(Concluded)

Village of Channahon, Illinois
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2019	2018	2017*	2016*
General Fund				
Nonspendable	\$ 310,183	\$ 88,028	\$ 84,891	\$ 59,503
Restricted	-	-	-	-
Assigned	1,019,061	6,724,863	5,032,593	-
Unassigned	12,623,089	5,969,811	6,044,904	252,130
Unreserved	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,755,720</u>
 Total General Fund	 <u>\$ 13,952,333</u>	 <u>\$ 12,782,702</u>	 <u>\$ 11,162,388</u>	 <u>\$ 10,067,353</u>
 All Other Governmental Funds				
Unreserved, Reported in:				
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -
Nonspendable	12,568	13,083	68,030	74,965
Restricted	5,101,150	9,112,481	7,578,732	1,932,759
Assigned	-	-	-	588,586
Unassigned	<u>(174,682)</u>	<u>(290,029)</u>	<u>(367,325)</u>	<u>(51,108)</u>
 Total All Other Governmental Funds	 <u>\$ 4,939,036</u>	 <u>\$ 8,835,535</u>	 <u>\$ 7,279,437</u>	 <u>\$ 2,545,202</u>

*As originally reported.

Beginning in 2012, the Village adopted the provisions of GASB Statement No. 54, which required reporting fund balances in new classifications: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

2015	2014	2013	2012	2011	2010
\$ 56,224	\$ 75,552	\$ 149,684	\$ -	\$ -	\$ -
264,249	281,473	351,280	3,444,681	-	-
-	-	-	-	-	-
-	9,299,920	7,849,574	3,202,982	-	-
<u>10,517,555</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,814,263</u>	<u>6,681,397</u>
<u>\$ 10,838,028</u>	<u>\$ 9,656,945</u>	<u>\$ 8,350,538</u>	<u>\$ 6,647,663</u>	<u>\$ 4,814,263</u>	<u>\$ 6,681,397</u>
\$ -	\$ -	\$ -	\$ -	\$ 3,529,268	\$ 3,261,952
60,260	102,815	165,533	208,406	-	-
1,821,254	1,744,563	12,291,501	2,319,089	-	-
648,170	692,301	670,050	825,024	-	-
<u>(10,908)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,518,776</u>	<u>\$ 2,539,679</u>	<u>\$ 13,127,084</u>	<u>\$ 3,352,519</u>	<u>\$ 3,529,268</u>	<u>\$ 3,261,952</u>

Village of Channahon, Illinois
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2019	2018	2017	2016
Revenues				
Property Taxes	\$ 10,266,792	\$ 9,940,792	\$ 9,221,854	\$ 8,980,302
Other Taxes	1,369,169	1,134,047	1,096,886	1,487,228
Intergovernmental	5,237,645	5,432,476	4,126,885	2,820,612
Payments in Lieu of Taxes	758,731	641,139	503,684	356,492
Charges for Services	401,387	411,515	341,493	318,738
Licenses and Permits	325,873	418,321	262,329	203,731
Fines and Fees	167,671	136,231	87,689	120,630
Grants and Allotments	440,176	535,198	343,400	381,865
Interest Income	417,741	176,636	80,360	38,328
Miscellaneous	1,001,955	1,948,465	830,083	526,529
Total Revenue	20,387,140	20,774,820	16,894,663	15,234,455
Expenditures				
Current:				
General Government	8,681,489	8,395,321	7,394,503	7,532,076
Public Safety	3,254,579	3,190,310	3,133,012	2,973,486
Streets and Bridges	1,892,901	1,794,072	1,601,270	1,557,896
Community Development	1,025,897	1,119,447	396,448	408,738
Employee Benefits and Pension	1,381,741	1,428,441	1,140,318	1,097,549
Capital Outlay	3,224,356	1,028,710	514,302	420,447
Debt Service - Principal	1,779,250	1,510,000	1,787,500	1,730,000
Debt Service - Interest and Fees	375,498	420,742	494,112	438,718
Total Expenditures	21,615,711	18,887,043	16,461,465	16,158,910
Excess (Deficiency) of Revenue				
Over Expenditures	(1,228,571)	1,887,777	433,198	(924,455)
Other Financing Sources (Uses)				
Debt Issuance	-	-	4,697,000	-
Premium on Bonds Sold	-	-	333,349	-
Sale of Capital Assets	11,125	200	8,175	4,670
Transfer to Escrow Paying Agent	-	-	(904,085)	-
Transfers In	2,127,485	1,230,537	474,903	673,536
Transfers Out	(3,636,907)	(1,332,906)	(243,432)	(498,000)
Total Other Financing Sources (Uses)	(1,498,297)	(102,169)	4,365,910	180,206
Net Change in Fund Balances	(\$ 2,726,868)	\$ 1,785,608	\$ 4,799,108	(\$ 744,249)
Debt Service as a Percentage				
of Noncapital Expenditures	12.8%	11.6%	15.3%	13.7%
Expenditures Capitalized as Assets	\$ 4,827,332	\$ 2,174,966	\$ 1,542,375	\$ 291,141

2015	2014	2013	2012	2011	2010
\$ 9,122,612	\$ 8,458,632	\$ 7,999,306	\$ 8,180,013	\$ 9,105,512	\$ 9,084,949
4,422,023	9,678,170	9,088,198	10,684,556	8,484,904	8,324,936
5,924,862	11,042,704	10,394,491	11,777,018	9,345,563	9,051,030
366,601	310,572	320,189	258,306	295,860	297,086
309,934	311,674	281,676	288,613	311,393	289,571
101,970	84,748	94,937	87,315	91,068	105,604
120,273	157,255	166,472	286,038	229,401	202,228
392,945	444,949	426,527	429,476	451,461	359,956
31,943	24,974	25,071	23,714	60,626	161,456
544,382	475,581	501,066	206,795	171,707	376,247
21,337,545	30,989,259	29,297,933	32,221,844	28,547,495	28,253,063
11,709,510	26,864,975	20,236,934	23,198,292	20,541,863	20,266,855
2,799,678	2,736,291	2,743,588	2,837,799	2,828,446	2,733,070
1,964,044	2,307,467	1,684,471	1,644,996	2,801,523	3,112,561
370,793	361,538	332,758	376,664	576,103	671,232
1,040,026	984,898	919,944	874,610	905,379	716,583
385,484	569,927	168,465	2,327	291,798	469,127
1,662,500	1,595,000	1,297,500	1,262,500	1,133,750	1,007,500
495,139	335,035	579,189	657,976	785,542	837,494
20,427,174	35,755,131	27,962,849	30,855,164	29,864,404	29,814,422
910,371	(4,765,872)	1,335,084	1,366,680	(1,316,909)	(1,561,359)
-	-	9,710,000	5,085,000	-	-
-	-	203,768	136,536	-	-
14,875	-	-	-	-	300
-	(4,759,625)	-	(5,150,214)	-	-
1,091,023	1,044,499	555,588	618,649	1,590,102	1,711,783
(856,089)	(800,000)	(327,000)	(400,000)	(1,873,011)	(1,998,010)
249,809	(4,515,126)	10,142,356	289,971	(282,909)	(285,927)
\$ 1,160,180	(\$ 9,280,998)	\$ 11,477,440	\$ 1,656,651	(\$ 1,599,818)	(\$ 1,847,286)
10.6%	5.5%	6.8%	6.2%	7.3%	7.0%
\$ 116,154	\$ 533,751	\$ 168,465	\$ 2,327	\$ 3,642,340	\$ 3,401,689

Village of Channahon, Illinois
 EQUALIZED ASSESSED VALUATION AND ESTIMATED ACTUAL VALUATION
 LAST TEN TAX YEARS

Tax Year	Will County			Total Equalized Assessed Value	Residential Property
	Residential Property	Farm Property	Non-Farm Property		
2018	\$ 210,841,283	\$ 970,084	\$ 49,039,519	\$ 260,850,886	\$ 89,479,051
2017	194,547,064	953,266	36,662,374	232,162,704	73,150,038
2016	185,161,393	633,430	36,373,513	222,168,336	68,791,010
2015	171,965,069	599,618	35,545,995	208,110,682	61,543,653
2014	166,523,460	560,620	35,488,477	202,572,557	54,460,143
2013	168,855,891	582,625	35,670,339	205,108,855	55,148,345
2012	180,049,464	610,546	34,276,041	214,936,051	60,168,110
2011	198,592,657	643,899	34,979,085	234,215,641	66,876,011
2010	213,114,530	605,904	34,037,443	247,757,877	72,923,968
2009	222,817,857	792,895	33,496,598	257,107,350	81,842,389

Source of Information: Office of Will County Clerk and Office of Grundy County Clerk

Note: Increased equalized assessed value for levy year 2018 is the result of two new industrial buildings as well as approximately 100 new homes that began to pay property taxes on the 2018 tax year levy.

Grundy County			Total Equalized Assessed Value Both Counties	Village Direct Tax Rate	Total Estimated Actual Taxable Value	Equalized Assessed Value as a Percentage of Estimated Actual Taxable Value
Farm Property	Non-Farm Property	Total Equalized Assessed Value				
\$ 851,567	\$ 115,055,931	\$ 205,386,549	\$466,237,435	0.7303	\$ 1,398,712,305	33.33%
469,269	19,382,917	93,002,224	325,164,928	0.7357	975,494,784	33.33%
455,641	18,949,145	88,195,796	310,364,132	0.7576	931,092,396	33.33%
448,062	18,024,348	80,016,063	288,126,745	0.7582	864,380,235	33.33%
453,533	20,528,653	75,442,329	278,014,886	0.7212	834,044,658	33.33%
447,390	20,989,354	76,585,089	281,693,944	0.7480	845,081,832	33.33%
434,940	19,230,834	79,833,884	294,769,935	0.6851	884,309,805	33.33%
1,377,688	17,537,241	85,790,940	320,006,581	0.6115	960,019,743	33.33%
1,440,638	17,347,831	91,712,437	339,470,314	0.5136	1,018,410,942	33.33%
411,700	23,625,198	105,879,287	362,986,637	0.5239	1,088,959,911	33.33%

Village of Channahon, Illinois
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN TAX YEARS

Tax Rates Per \$100 Assessed Valuation (1)	2018	2017	2016	2015	2014
Village of Channahon (2)	0.7303	0.7357	0.7524	0.7582	0.7212
Village of Channahon Road and Bridge	0.0495	0.1020	0.0717	0.0555	0.0547
Total Village (3)	0.7798	0.8377	0.8241	0.8137	0.7759
Will County (Including Forest Preserve)	0.7431	0.7881	0.8091	0.8295	0.8410
Channahon Township	0.0810	0.0325	0.0341	0.0901	0.0888
Channahon Fire Protection District	0.9580	0.9942	1.0054	1.0501	1.0504
Three Rivers Library District	0.1108	0.1114	0.1146	0.1158	0.1186
Channahon School District 17	2.7289	2.7457	2.7081	2.7339	2.8220
Minooka Community High School District 111	2.5207	2.5839	2.6620	2.5494	2.5141
Community College District 525	0.2924	0.2994	0.3099	0.3065	0.3085
Channahon Park District	0.3147	0.3193	0.3238	0.3308	0.3272
Total	8.5294	8.7122	8.7911	8.8198	8.8465
	2013	2012	2011	2010	2009
Village of Channahon (2)	0.7480	0.6851	0.6115	0.5136	0.5239
Village of Channahon Road and Bridge	0.0534	0.0540	0.0536	0.0546	0.0531
Total Village (3)	0.8014	0.7391	0.6651	0.5682	0.5770
Will County (Including Forest Preserve)	0.8186	0.7767	0.7244	0.6841	0.0654
Channahon Township	0.0869	0.0863	0.0842	0.0843	0.0819
Channahon Fire Protection District	1.0222	0.9646	0.8866	0.8680	0.0820
Three Rivers Library District	0.1175	0.1141	0.1033	0.0941	0.0906
Channahon School District 17	2.8377	2.8076	2.6807	2.5352	2.5651
Minooka Community High School District 111	2.3525	2.3580	2.3265	2.2949	2.3027
Community College District 525	0.2955	0.2768	0.2463	0.2270	0.2144
Channahon Park District	0.3182	0.3151	0.2816	0.3074	0.2974
Total	8.6505	8.4383	7.9987	7.6632	6.2765

Notes:

- (1) Source: County Clerk, Will County
- (2) Includes corporate, street and bridge, police protection, audit, insurance, IMRF, SS and police pension
- (3) The Village is a home rule unit under the 1970 Illinois State Constitution and, as such, has no statutory tax rate limitations

Village of Channahon, Illinois
PRINCIPAL PROPERTY TAXPAYERS IN THE VILLAGE
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Type of Business, Property	2018 Equalized Assessed Valuation	Percentage of 2018 Equalized Assessed Valuation	2018 Rank
IDI Gazeley	Industrial	\$ 7,920,758	1.70%	1
MPLD Crossroads 55	Industrial	4,600,405	0.99%	2
DOKA USA LTD	Concrete Barriers	2,599,155	0.56%	3
Interstate Chemical Co., Inc.	Chemicals	1,700,837	0.36%	4
Roman Catholic Diocese	Charities	1,525,434	0.33%	5
Alpont Realty	Real Estate	1,259,913	0.27%	6
Thontons, Inc.	Fueling Station	1,058,605	0.23%	7
Barr, George/Goldstein	Legal/Property Management	1,046,657	0.22%	8
Chicago Title	Real Estate	775,730	0.17%	9
El Zapote Enterprises LLC	Individual	713,093	0.15%	10
		<u>\$ 23,200,587</u>	<u>4.98%</u>	

Total Village Assessed Valuation

\$ 466,237,435

Taxpayer	Type of Business, Property	2009 Equalized Assessed Valuation	Percentage of 2009 Equalized Assessed Valuation	2009 Rank
DOKA USA Ltd	Concrete Barriers	\$ 2,478,225	0.68%	1
Coleman Management	Chemicals	1,700,837	0.47%	2
International Chemical	Chemicals	1,259,913	0.35%	3
George Barr/Goldstein	Investor Group	1,046,657	0.29%	4
Romar Cabinets	Industrial Park	831,117	0.23%	5
TAC of Illinois	Tank Wash	724,287	0.20%	6
K&J Management	Developers	710,421	0.20%	7
Marck, Kathleen Mosak	Individual	702,116	0.19%	8
B R Channahon LLC	Developers	678,432	0.19%	9
JP Ruth	Individual	662,463	0.18%	10
		<u>\$ 10,794,468</u>	<u>2.98%</u>	

Total Village Assessed Valuation

\$ 362,986,637

Note: Every effort has been made to identify the largest taxpayers. However, some taxpayers may have multiple parcels which may have been overlooked. The 2018 EAV is the most current available.

Source of Information: Will and Grundy County Treasurers' Offices.

Village of Channahon, Illinois
PROPERTY TAX RATES, EXTENSIONS AND COLLECTIONS
(WILL AND GRUNDY COUNTIES)
LAST TEN TAX YEARS

<u>Property Tax Rates by Fund</u>	2018	2017	2016	2015	2014
General	0.2363	0.1963	0.2236	0.2516	0.2069
Police Protection	0.0698	0.0609	0.0604	0.0753	0.0648
Social Security	0.0419	0.0684	0.0644	0.0639	0.0720
Audit	0.0056	0.0123	0.0115	0.0102	0.0105
Insurance	0.0837	0.0906	0.0824	0.0613	0.0516
Police Pension	0.1953	0.1933	0.1910	0.1983	0.1715
Illinois Municipal Retirement Fund	0.0977	0.1139	0.1191	0.0976	0.1439
Total	0.7303	0.7357	0.7524	0.7582	0.7212

<u>Property Tax Extensions by Fund</u>	2018	2017	2016	2015	2014
General	\$ 854,108	\$ 640,903	\$ 692,806	\$ 723,246	\$ 575,127
Police Protection	252,238	198,581	187,097	216,403	180,106
Social Security	151,391	223,144	199,431	183,687	200,099
Audit	20,226	40,002	35,496	29,283	29,145
Insurance	302,531	295,503	255,091	176,164	143,387
Police Pension	705,909	630,730	591,695	570,036	476,723
Illinois Municipal Retirement Fund	353,085	371,670	368,820	280,532	400,025
Total	\$2,639,488	\$2,400,533	\$2,330,436	\$2,179,351	\$2,004,612

Current Year Collections	\$ -	\$ -	\$ -	\$ -	\$ -
Subsequent Collections	-	2,399,732	2,330,552	2,165,743	2,002,724
Total Collections	\$ -	\$2,399,732	\$2,330,552	\$2,165,743	\$2,002,724

Percentage of Extensions Collected	0.00%	99.97%	100.00%	99.38%	99.91%
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Other Property Taxes					
Street and Bridge (Extension Excluding Township Portion)	\$ 127,479	\$ 116,571	\$ 170,359	\$ 164,515	\$ 113,996
Street and Bridge Property Tax Collections	-	127,329	127,082	121,947	113,466
Tax Increment Property Tax Collections	\$ -	\$8,442,321	\$7,829,293	\$6,934,164	\$6,863,087

Note - Tax rates are per \$100 assessed valuation and are expressed as a combined rate.

Information obtained from the respective County Clerk's Office.

2013	2012	2011	2010	2009
0.1953	0.2136	0.1921	0.1811	0.1997
0.0586	0.0652	0.0587	0.0568	0.0633
0.0683	0.0642	0.0686	0.0397	0.0610
0.0103	0.0101	0.0093	0.0082	0.0075
0.1303	0.0809	0.0581	0.0499	0.0490
0.1540	0.1431	0.1286	0.1098	0.0654
0.1312	0.1080	0.0961	0.0681	0.0780
0.7480	0.6851	0.6115	0.5136	0.5239

\$ 550,102	\$ 629,743	\$ 615,091	\$ 641,693	\$ 730,458
165,063	192,239	187,872	201,064	231,537
192,325	189,127	219,274	140,103	223,124
29,013	29,752	29,752	29,233	27,433
367,026	238,532	186,002	176,822	179,231
433,746	421,912	411,696	390,006	239,218
369,515	318,286	307,338	240,991	285,307

\$2,106,790	\$2,019,591	\$1,957,025	\$1,819,912	\$1,916,308
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\$ -	\$ -	\$ -	\$ -	\$ -
2,105,714	2,014,739	1,945,974	1,743,456	1,899,306
\$2,105,714	\$2,014,739	\$1,945,974	\$1,743,456	\$1,899,306

99.95%	99.76%	99.44%	95.80%	99.11%
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\$ 107,458	\$ 112,088	\$ 135,304	\$ 144,059	\$ 144,059
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107,203	111,634	134,441	141,048	143,713
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\$6,907,818	\$6,293,103	\$5,901,172	\$6,296,453	\$7,062,493
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Village of Channahon, Illinois
SCHEDULE OF VILLAGE SALES TAXES BY INDUSTRY
Year Ended April 30, 2019

Type of Industry	Home Rule Sales Tax	State Sales Tax	Total Sales Tax
Generators	\$ 30,504	\$ 202,840	\$ 233,344
Retail	90,863	196,331	287,194
Fuel Suppliers	158,181	701,423	859,604
Manufacturers	28,270	72,321	100,591
Construction	145,461	-	145,461
Other	453,277	71,353	524,630
Total	\$ 906,556	\$ 1,244,268	\$ 2,150,824

The State Sales Tax rates are 6.25% and 7.00% for Grundy and Will Counties respectively.
The Village receives 1.00% of the State's total rate.

The Village has a 1.00% rate via its Home Rule powers for a total of 7.25% and 8.00% respectively.

Source of Information: Village Finance Department and State of Illinois Department of Revenue.

Village of Channahon, Illinois
SCHEDULE OF VILLAGE SALES TAXES BY YEAR
LAST TEN FISCAL YEARS

Fiscal Year	Home Rule Sales Tax	State Sales Tax	Total Sales Tax	Total Taxable Sales
2019	\$ 906,556	\$ 1,244,268	\$ 2,150,824	\$ 215,082,400
2018	821,136	1,057,307	1,878,443	187,844,300
2017	822,172	1,092,739	1,914,911	191,491,100
2016	664,278	934,550	1,598,828	159,882,800
2015	3,545,489	4,081,355	7,626,844	762,684,400
2014	8,881,934	9,242,201	18,124,135	1,812,413,500
2013	8,262,036	8,721,469	16,983,505	1,698,350,500
2012	9,923,861	10,450,768	20,374,629	2,037,462,900
2011	7,734,769	8,180,829	15,915,598	1,591,559,800
2010	7,574,777	7,918,534	15,493,311	1,549,331,100

The State Sales Tax rates are 6.25% and 7.00% for Grundy and Will Counties respectively.
The Village receives 1.00% of the State's total rate.

The Village has a 1.00% rate via its Home Rule powers for a total of 7.25% and 8.00%, respectively.

Source of Information: Village Finance Department and State of Illinois Department of Revenue.

Village of Channahon, Illinois
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-Type Activities		
	General Obligation Bonds	Premiums on G.O. Bonds	Tax Increment Revenue Bonds	Water/Sewer General Obligation Bonds	Premiums on Water/Sewer G.O. Bonds	Water/Sewer IEPA Infrastructure Loans
2019	\$ 8,815,250	\$ 411,785	\$ 760,000	\$ 4,164,750	\$ 152,814	\$ 824,322
2018	9,864,500	443,711	1,490,000	4,930,500	172,342	906,874
2017	10,669,500	475,637	2,195,000	5,625,500	191,869	989,009
2016	7,975,000	170,175	2,870,000	5,355,000	125,745	1,070,738
2015	9,055,000	185,094	3,520,000	6,025,000	139,716	1,152,071
2014	10,097,500	200,013	4,140,000	6,677,500	153,687	1,225,486
2013	11,092,500	214,932	9,380,000	7,317,500	167,659	1,313,584
2012	6,920,000	26,083	5,140,000	1,250,000	-	8,195,031
2011	7,676,250	31,299	5,605,000	1,353,750	-	8,740,266
2010	8,375,000	36,515	6,040,000	1,495,000	-	8,377,151
Fiscal Year	Total Debt	Total Debt as a Percentage of Personal Income	Population	Total Debt Per Capita	General Obligation Bonds Per Capita	Water/Sewer Debt Per Water/Sewer Customer
2019	\$ 15,128,921	3.97%	12,600	\$ 1,201	\$ 700	\$ 1,469
2018	17,807,927	4.68%	12,600	1,413	783	1,717
2017	20,146,515	5.29%	12,600	1,599	847	1,945
2016	17,566,658	4.61%	12,600	1,394	633	1,872
2015	20,076,881	5.27%	12,600	1,593	719	2,286
2014	22,494,186	5.86%	12,560	1,791	804	2,053
2013	29,486,175	7.87%	12,560	2,348	883	2,242
2012	21,531,114	5.81%	12,560	1,714	551	2,406
2011	23,406,565	6.50%	12,386	1,890	620	2,578
2010	24,323,666	6.76%	12,386	1,964	676	2,581

Source of Information: Various Village Offices

The Village has abated debt service property taxes for all years shown above and has repaid debt from other general revenues.

Village of Channahon, Illinois
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
April 30, 2019

	Total Debt	Applicable Percent	Direct And Overlapping Debt
<u>Direct Debt</u>			
Village of Channahon (1)	\$ 9,987,035	100.00%	\$ 9,987,035
<u>Overlapping Debt (2)</u>			
<u>Schools</u>			
Coal City CUSD Number 1	32,305,000	0.025%	8,092
Joliet CCD No. 525	69,785,000	2.924%	2,040,513
Joliet Township High School District 204	84,750,000	0.417%	353,167
Minooka Community High School District 111	63,680,000	25.207%	16,051,818
Minooka Junior High School District 201	70,644,860	10.689%	7,551,446
Morris CHSD Number 101	5,455,000	1.374%	74,945
Saratoga CCSD Number 60C	6,715,000	3.170%	212,840
Troy Community Consolidated School District 30C	63,590,000	3.645%	2,317,856
Wilmington School District 209U	28,174,096	0.776%	218,696
Total Schools			28,829,373
<u>Other Than Schools</u>			
Channahon Park District	181,390	31.470%	57,083
Grundy County	10,838,107	4.525%	490,397
Will County	-	5.927%	-
Will County Forest Preserve District	97,975,000	1.504%	1,473,544
Total Other Than Schools			2,021,024
Total Overlapping Debt			30,850,397
Total Direct and Overlapping Debt			\$ 40,837,432

Notes:

- (1) The amount represents the debt of governmental activities.
The Village is not levying taxes to retire any of its outstanding debt.
- (2) Overlapping debt percentages based on 2018 EAV.
Overlapping debt outstanding as of April 2019.

Overlap is based on equalized assessed valuation of each overlapping government that coincides with Village's property.

Schedule includes the par value of general obligation debt for which taxes may be levied.

Source of Information: Will and Grundy County Clerks' Offices

Village of Channahon, Illinois

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

Fiscal Year	Water and Sewer General Obligation Bonds and IEPA Loans					
	Utility	Less:	Net	Debt Service		Coverage
	Service Charges	Operating Expenses	Available Revenue	Principal	Interest	
2019	\$ 4,165,011	\$ 1,869,774	\$ 2,295,237	\$ 848,302	\$ 139,519	232%
2018	4,079,031	2,075,844	2,003,187	777,135	154,086	215%
2017	3,355,702	1,701,964	1,653,738	759,228	143,519	183%
2016	2,854,490	1,629,362	1,225,128	751,333	134,441	138%
2015	2,417,456	1,424,710	992,746	725,915	147,635	114%
2014	2,448,623	1,423,550	1,025,073	728,098	161,079	115%
2013	2,465,558	1,358,364	1,107,194	780,542	175,948	116%
2012	2,370,142	1,419,199	950,943	662,733	215,093	108%
2011	2,185,852	1,425,324	760,528	640,708	270,024	84%
2010	2,388,146	1,381,507	1,006,639	851,015	291,313	88%

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

Operating expenses do not include interest, depreciation or refuse expenses.

Debt service principal does not include amounts refunded by new debt.

Limited Obligation Tax Increment Revenue Bonds - Series 2013

Fiscal Year	Tax	Less:	Net	Debt Service		Coverage
	Increment	Non-capital	Available	Principal	Interest	
	Financing Taxes	Expenditures	Revenue	Principal	Interest	
2019	\$ 7,936,907	\$ 7,198,402	\$ 738,505	\$ 730,000	\$ 59,600	94%
2018	7,680,605	6,907,580	773,025	705,000	87,800	98%
2017	6,934,164	6,165,816	768,348	675,000	114,800	97%
2016	6,863,087	6,119,639	743,448	650,000	144,800	94%
2015	6,907,818	6,096,981	810,837	620,000	170,028	103%
2014	6,293,103	5,931,597	361,506	600,000	134,300	49%
2013	5,901,172	5,177,938	723,234	500,000	353,375	85%
2012	6,296,453	5,474,945	821,508	465,000	385,344	97%
2011	7,062,493	6,235,097	827,396	435,000	415,250	97%
2010	7,034,256	6,179,336	854,920	405,000	440,563	101%

Principal and interest payments are made by the Village's TIF District Fund from incremental property taxes generated from properties in the Village's Tax Increment Financing District. Payments began in 2001.

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

Non-capital expenditures consist mainly of redistributed tax surpluses and tax increment rebates.

Coverage in certain years may be less than 100% due to the use of surpluses from prior years or transfers from other funds.

(Continued)

Village of Channahon, Illinois
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

Motor Fuel Tax - General Obligation Bonds Series 2016						
Fiscal Year	Motor Fuel Taxes	Less: Operating Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2019	\$ 341,007	\$ 473,290	\$ (132,283)	\$ 453,000	\$ 128,380	-23%
2018	343,201	300,000	43,201	225,000	128,380	12%
2017	341,300	327,319	13,981	1,215,000	32,711	1%
2016	344,205	448,881	(104,676)	520,000	67,988	-18%
2015	385,805	772,489	(386,684)	495,000	88,245	-66%
2014	443,117	1,043,844	(600,727)	480,000	107,695	-102%
2013	374,800	669,806	(295,006)	460,000	126,345	-50%
2012	386,290	608,300	(222,010)	445,000	144,582	-38%
2011	392,666	1,491,181	(1,098,515)	425,000	161,251	-188%
2010	336,824	1,864,877	(1,528,053)	340,000	175,963	-296%

Although the Village can legally levy property taxes to raise revenues to pay debt service on the bonds, the Village has abated the property taxes and has pledged available fuel taxes.

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

Operating expenditures do not include interest or original bond construction expenditures.

Debt service principal does not include principal refunded by new debt.

Coverage in certain years may be less than 100% due to the use of surpluses from prior years.

State and Home Rule Sales Tax - General Obligation Bonds Series 2011						
Fiscal Year	State and Home Rule Sales Taxes	Less: Operating Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2019	\$ -	\$ -	\$ -	\$ 386,250	\$ 53,391	0%
2018	-	-	-	375,000	61,641	0%
2017	-	1,111	(1,111)	367,500	69,726	0%
2016	-	76,664	(76,664)	360,000	78,248	-17%
2015	2,395,699	4,243,091	(1,847,392)	345,000	91,596	-423%
2014	16,182,543	14,571,172	1,611,371	345,000	91,596	369%
2013	15,061,483	13,733,300	1,328,183	337,500	98,346	305%
2012	18,330,775	17,073,916	1,256,859	352,500	128,049	262%
2011	14,639,297	13,187,796	1,451,501	273,750	207,602	302%
2010	14,502,451	13,066,552	1,435,899	262,500	220,970	297%

Although the Village can legally levy property taxes to raise revenues to pay debt service on the bonds, the Village has abated the property taxes and has pledged available home rule sales taxes. Payments began in 2003.

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

Operating expenditures only include tax rebates.

(Concluded)

Village of Channahon, Illinois
LEGAL DEBT MARGIN INFORMATION
April 30, 2019

The Village of Channahon is a “home rule” municipality under the 1970 Illinois Constitution. As a home rule community, the Village has no debt limit nor is it required to seek referendum approval for issuance of general obligation debt. The Illinois General Assembly may, by a three-fifths vote, limit debt incurred which is payable through any funds other than ad valorem property tax receipts. When debt is secured through property taxes, the General Assembly may set limits and require referenda.

Village of Channahon, Illinois
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year	(a) Population	(b) Per Capita Income	(a) x (b) Personal Income	Unemployment Rate
2019	12,600	\$ 30,757	\$ 387,538,200	4.3%
2018	12,600	30,757	387,538,200	5.4%
2017	12,600	43,864	552,686,400	5.4%
2016	12,600	30,220	380,772,000	5.7%
2015	12,600	30,220	380,772,000	7.8%
2014	12,560	30,565	383,896,400	6.8%
2013	12,560	29,458	369,992,480	9.7%
2012	12,560	29,458	369,992,480	9.4%
2011	12,560	29,015	364,428,400	11.0%
2010	12,386	29,015	359,379,790	11.2%

Sources of Information: Office of Will County Clerk, U.S. Census Bureau, and Illinois Dept. of Employment Security.

Note: Per Capita Income is based on 2013, 2010 and 2000 Censuses.

Village of Channahon, Illinois
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	Type of Business or Property	2019 Number of Employees	Percent of 2019 Total Employment
Channahon Park District	Park Facilities	333	13.32%
Channahon Grade School District 17	Grade School	164	6.56%
Aux Sable Liquid Products	Natural Gas Extraction	158	6.32%
A&R Logistics, Inc.	Transportation, Storage	157	6.28%
Brieser Construction	Construction	150	6.00%
Utility Concrete Products, LLC	Industrial, Manufacturing, Concrete	90	3.60%
Romar Cabinet & Top Co. Inc.	Construction, Home Improvement	64	2.56%
Badger Daylighting Corp.	Contractor	60	2.12%
Village of Channahon	Municipality	57	2.28%
DOKA USA Ltd	Manufacturing	48	1.92%

Employer	Type of Business or Property	2010 Number of Employees	Percent of 2010 Total Employment
Channahon Grade School District 17	Grade School	137	5.49%
A&R Transport	Trucking	115	4.61%
Brieser Construction	Construction	82	3.28%
Aux Sable Liquid Products	Natural Gas Extraction	78	3.12%
Martin Whalen	Office Furniture & Supplies	70	2.80%
Channahon Park District	Municipality	70	2.80%
Village of Channahon	Municipality	66	2.64%
Romar Cabinets	Cabinets	62	2.48%
DNJ Transportation	Trucking	60	2.40%
Packard Trucking	Trucking	58	2.32%

Sources of Information: Will County Center for Economic Development, and Illinois Department of Employment Security.

Village of Channahon, Illinois
VILLAGE EMPLOYMENT STATISTICS
LAST TEN FISCAL YEARS

Staff	2019	2018	2017	2016	2015
General Government					
Administrative Department	5	4	4	4	4
Finance Department	4	3	3	3	3
Public Safety					
Police Department	26	24	26	26	24
Community Development					
Community and Economic Development	5	5	4	5	5
Public Works and Utilities					
Street Department	14	14	12	12	13
Water and Sewer	3	3	3	4	3
TOTAL STAFF	57	53	52	54	52
	2014	2013	2012	2011	2010
General Government					
Administrative Department	4	4	4	4	3
Finance Department	4	4	4	4	6
Public Safety					
Police Department	25	26	26	29	29
Community Development					
Community and Economic Development	3	3	3	7	8
Public Works and Utilities					
Street Department	13	13	13	15	15
Water and Sewer	4	4	4	5	5
TOTAL STAFF	53	54	54	64	66

Source of Information: Village Human Resources

Village of Channahon, Illinois
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2019	2018	2017	2016
General Government				
Administration				
Resolutions Adopted	25	15	21	23
Ordinances Adopted	44	38	45	42
Village Newsletters	4	-	-	-
Finance				
Purchase Orders Processed	198	176	173	79
Nonpayroll Checks Issued	1,620	1,399	1,413	1,493
Utility Bills Issued	44,600	44,227	43,117	43,111
Accounts Payables Processed	2,718	2,351	2,438	2,520
Community Development				
Residential Building Permits	101	113	62	16
Commercial Permits	2	1	2	1
Commercial Square Footage Permitted	694,080	1,000,110	749,554	5,500
Public Safety				
Calls for Service	8,120	7,710	8,497	11,899
Reports Processed	3,462	2,790	3,037	1,937
Number of Cases Investigated	255	237	366	174
Training Hours	1,679	1,241	2,072	2,544
Patrol Miles	212,166	207,939	212,120	172,518
Streets				
Tons of Salt Used for Snow Removal	992	1,103	836	690
Water And Sewer				
Peak Day Water Pumpage-Gallons	1,495,000	1,413,000	1,598,000	1,661,000
Average Daily Water Pumpage - Gallons	714,235	702,443	619,559	626,342
Average Daily Sewage Treatment- Gallons	628,000	643,000	669,000	705,000

Source of Information: Various Village Departments

2015	2014	2013	2012	2011	2010
22	18	33	10	17	15
26	36	49	44	28	36
-	-	2	2	3	3
484	784	743	719	910	913
1,660	1,844	1,654	1,764	2,133	2,211
43,299	41,040	48,720	47,580	47,472	47,201
2,598	2,791	2,551	2,573	3,251	3,566
10	7	6	3	3	11
-	2	-	1	-	4
-	21,369	-	4,836	-	91,781
8,635	9,077	10,270	11,461	11,034	11,944
2,261	2,847	2,716	4,935	4,614	5,270
156	205	203	208	224	216
3,065	1,540	1,410	2,301	3,134	2,263
179,593	166,425	164,203	187,939	197,037	259,930
1,530	1,653	1,071	702	1,173	1,023
1,725,000	1,698,000	1,757,000	1,422,000	1,131,000	1,183,000
760,386	680,438	690,496	670,396	749,422	666,148
681,916	714,000	546,000	653,000	607,083	580,000

Village of Channahon, Illinois
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government										
Administration										
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	1	1	1	1	1	1	1	1	1	1
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	18	18	18	18	16	16	16	16	16	15
Streets										
Miles of Streets	82	82	94	94	94	94	94	94	83	83
Vehicles	17	17	17	17	17	17	17	17	17	18
Buildings	3	3	3	3	3	3	3	3	3	3
Community Development										
Vehicles	2	2	2	2	2	2	3	3	3	5
Water and Sewer										
Water										
Buildings	3	3	3	3	3	3	3	3	3	7
Storage Capacity (Thousands of Gallons)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Vehicles	3	3	3	3	3	3	4	4	2	2
Sewer										
Buildings	9	9	9	9	9	9	9	9	9	7
Treatment Capacity (Thousands of Gallons)	720	720	720	720	720	720	720	720	720	720
Vehicles	2	2	2	2	2	2	2	2	2	2

Source of Information: Various Village Departments

Village of Channahon, Illinois

MISCELLANEOUS STATISTICS

April 30, 2019

Date of Organization:	December 15, 1961
Form of Government:	Board-Trustee
Governing Body:	Village Board
Land Area:	18.8 Square Miles
Number of Housing Units:	4,084
Number of Registered Voters:	6,722
Number of Townships:	4
Number of School Districts:	2
Number of Community College Districts:	1

Source of Information: Village Business Office, Village Planning Offices, Will County Clerk's Office and U.S. Census Bureau.