

Comprehensive Annual  
Financial Report



Village of  
Western Springs, Illinois

For the Year Ended  
December 31, 2017

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

For the Year Ended  
December 31, 2017

Prepared by the Finance Department

Grace Turi

Director of Finance

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## **INTRODUCTORY SECTION**

VILLAGE OF WESTERN SPRINGS, ILLINOIS

LIST OF VILLAGE OFFICIALS

December 31, 2017

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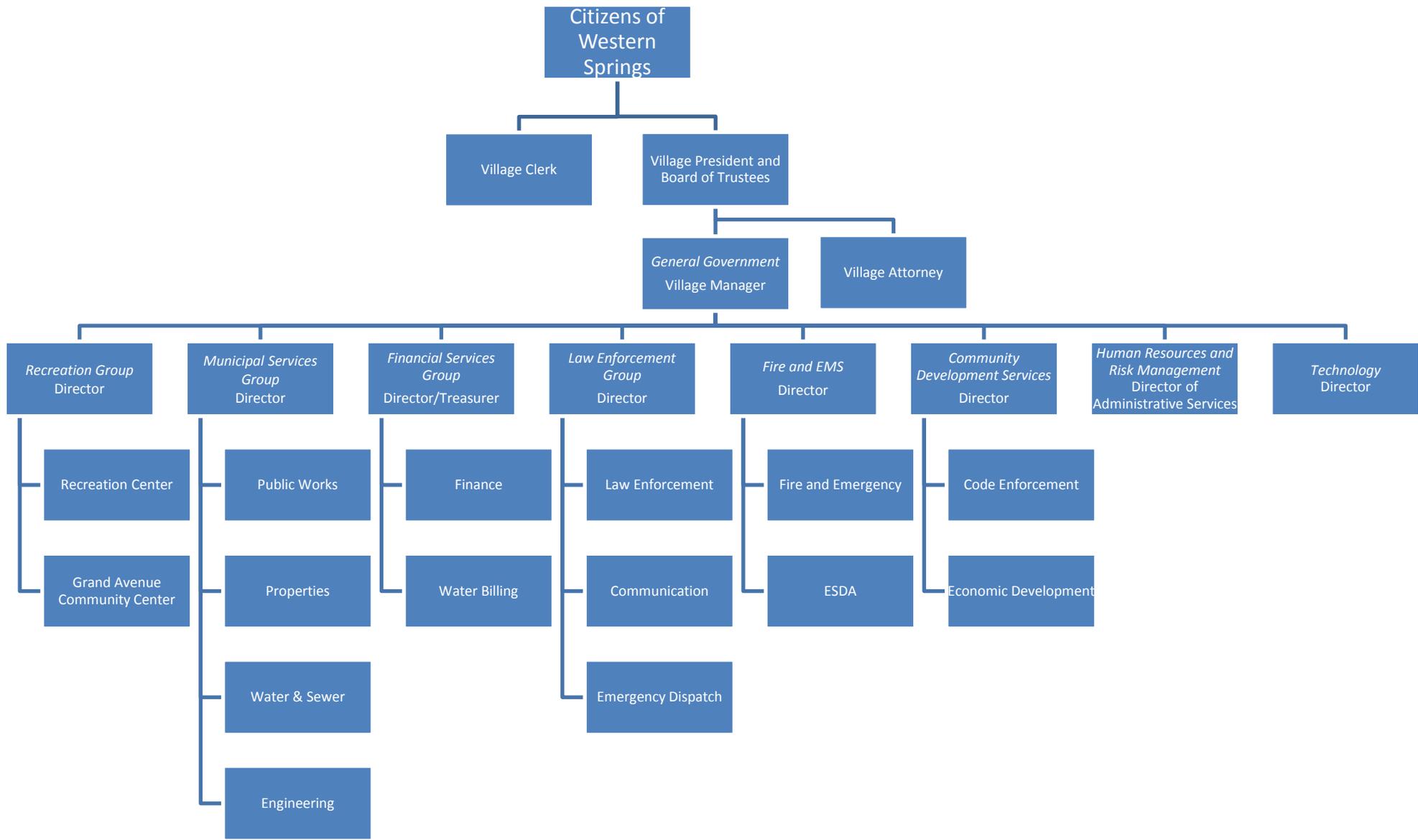
ELECTED OFFICIALS

Village President	Alice Gallagher
Village Trustee	Berry Allen
Village Trustee	Sheila Hansen
Village Trustee	Heidi Rudolph
Village Trustee	William P. Siffermann
Village Trustee	Edward Tymick
Village Trustee	James Tyrrell
Village Clerk	Bridget McMahan Fitzgerald

APPOINTED OFFICIALS

Village Manager	Ingrid Velkme
Village Attorney	Klein, Thorpe & Jenkins, Ltd.
Director of Finance/Treasurer	Grace Turi
Director of Fire and Emergency Services/ Deputy Village Manager	Patrick Kenny
Director of Administrative Services	Ellen Baer
Director of Law Enforcement Services	Brian Budds
Director of Municipal Services	Matthew Supert
Director of Recreation	W. Tracy Alden, III
Director of Technology	Pat Schramm
Director of Community Development	Martin Scott
Deputy Village Clerk	Elaine Haeske

# Village of Western Springs ORGANIZATION CHART





Government Finance Officers Association

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

Presented to

**Village of Western Springs  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morill*

Executive Director/CEO

# VILLAGE *of* WESTERN SPRINGS



740 HILLGROVE AVENUE | WESTERN SPRINGS, IL 60558-1478 | [www.wsprings.com](http://www.wsprings.com)

July 31, 2018

The Honorable Village President  
Board of Trustees  
Village Manager  
Village of Western Springs,  
Western Springs, Illinois 60558

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PRESIDENT

Alice Gallagher

TRUSTEES

Sheila Hansen

Edward Tymick

Berry Allen

Heidi Rudolph

William Siffermann

James Tyrrell

The Comprehensive Annual Financial Report of the Village of Western Springs, Illinois, for the fiscal year ended December 31, 2017, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Village. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present 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 financial activities have been included.

CLERK

Bridget Fitzgerald

MANAGER

Ingrid Velkme

DIRECTORS

Tracy Alden

Grace Turi

Pat Schramm

Martin Scott

Matthew Supert

Patrick Kenny

Brian Budds

Ellen Baer

The management of the Village has established a system of internal control that is designed to assure that the assets of the Village are safeguarded against loss, theft, or misuse. The system of internal control also assures that the accounting system compiles reliable financial data for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives will be 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 evaluation of the costs and benefits requires estimates and judgments by management.

The comprehensive annual financial report presents the management's discussion and analysis (MD&A), basic financial statements, and required supplementary information. The MD&A provides an analytical overview of the Village's financial activity and should be read in conjunction with this letter. Included in the basic financial statements are the government-wide financial statements, fund financial statements, and notes to the financial statements. The required supplementary information presents the budgetary comparison schedules and other schedules.

## Profile of Village Government

The financial reporting of the Village of Western Springs as legally defined includes all the funds of the primary government. The Village provides a full range of services. Those services include but are not limited to: police and fire protection; community development; maintenance of streets and infrastructure; water production and distribution; building and zoning code enforcement; recreational activity; and general administrative services.

POLICE Tel 708.246.8540 Fax 708.246.3609 | FIRE Tel 708.246.1182 Fax 708.246.4871

VILLAGE SERVICES Tel 708.246.1800 Fax 708.246.0284 | RECREATION Tel 708.246.9070 Fax 708.246.1309

Blended component units, although legally separate entities, are in substance, part of the primary government's operations, and are included as part of the primary government. Accordingly, the Police and Firefighters' Pension Funds are reported as fiduciary funds of the primary government.

There are two elementary school districts and one high school district providing public education to Village residents. There are also colleges and universities in the Chicago metropolitan area which offer higher education, all of which are separate legal entities and are not included in this report.

The Village of Western Springs, a non-home-rule community, was incorporated in 1886 and is approximately 16 miles west of the City of Chicago in Cook County. Western Springs is a small, stable, pleasant community measuring 2.75 square miles, bisected by the Burlington Northern Santa Fe (BNSF) Railroad. The Village Tower, which is located in the middle of town, is the iconic symbol of Western Springs. It was built in 1892 and has served the Village in a variety of ways over the years, and currently serves as a museum run by the local historical society. The Village is surrounded on three sides by incorporated municipalities, and on the fourth side is Bemis Woods, a Cook County Forest Preserve.

### **Factors Affecting Financial Condition**

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

#### **Local Economy**

The Village is located within proximity to the City of Chicago. It is a residential community with a small commercial district which serves the basic needs of the residents. The Village prides itself in and derives its charm from the quality and diversity of its homes. Solid single family housing, superior schools, and access to Chicago through the BNSF rail line have established the Village as a stable, family-friendly community. The Village recognizes that its residential character represents one of its greatest asset. Fortunately, the Village's housing market has experienced steady appreciation. According to Zillow, the median home price rose approximately 1.76% in 2017, with a projected price increase of 3.28% for the next year. There were 28 teardowns in 2017, compared to 21 in 2016, the Timber Trails subdivision added 9 single family homes, with 154 sites sold.

The Village's operations are funded by property taxes as well as income taxes received through the Local Government Distributive Fund (LGDF), and sales taxes. As a non-home-rule community, property tax increases are capped at the lower of 5% of the prior year's property tax levy, or the annual increase in the Consumer Price Index (CPI), plus the capture of new growth. The 2016 levy for property taxes (collected in 2017) was limited to an .7% (CPI cap) increase over the 2015 levy, which is considerably less than the increases incurred in salary, benefits, and, significantly, in pension contributions.

The history of LGDF goes back to 1969 when it was the result of a compromise between the Governor's proposed income tax initiatives and local governments. In exchange for 1/12<sup>th</sup> of the tax, local municipalities would not institute a local income tax. The funds from LGDF were earmarked "for the general welfare of the people of the State of Illinois". The distribution percentage fluctuated up and down depending on the State's need for cash. The latest adjustment to the distribution was included in the State's FY 2018 budget, which reduced the distribution by 10%. To offset the decrease, the State released two additional distributions in State's fiscal year (14 distributions verses 12). This is not a new revenue source, but simply the elimination of the two-month lag time between the receipt and distribution. While income tax receipts from the LGDF have been consistent over the last several years, this last change resulted in a 5% reduction in FY 2017, and it is expected that the Village will experience a similar reduction in FY 2018. Additionally, the State also implemented a 2% administrative fee on certain locally imposed taxes which the State collects on behalf of the Village.

Sales taxes have been steadily increasing over the past several years. Sales tax receipts were 2.7% higher in FY 2017 than in FY 2016 and 6.75% higher than in FY 2015. The addition of several new restaurants including a second Starbucks, Salerno's R-Bar Pizza, and Mariano's grocery store contributed to the increase.

On a more wide-ranging level, the Village is closely monitoring the alarming condition of the State of Illinois' finances. It is clear from the rating agencies that the State's fiscal woes negatively impact local governments. The adoption of the State's FY 2018 budget was a protracted battle that ultimately cost the Village funds. The State continues to face an annual deficit of \$7 to \$9 billion dollars, and must attend to unpaid bills, unfunded liabilities for retiree healthcare costs, and unfunded liabilities of the State's five pension plans.

#### Long-Term Financial Planning

There are several areas of concern that the Village must address in the long-term. A major concern continues to be the escalating funding requirements for police and firefighters' pensions. As a tax-capped community, it is fiscally impossible to provide the necessary pension contributions without directly negatively impacting the Village's operations. Annual increases of in excess of 10% have forced the Village to redirect funding sources to the pension funds. Even with the creation of a tier 2 pension, the Village faces significant funding challenges.

Another long-term financial concern is funding roadway infrastructure. Western Springs is a mature community and funding the reconstruction of timeworn roads is a problem. Since 2008 the Village has benefited from two successful referendums which infused over \$18 million in bond proceeds and allowed for the completion of approximately 13 major street reconstructions. Unfortunately, at least 30 miles of remaining roadway will need to be addressed in the next twenty years, at an untold cost.

A third area of concern is the water and sewer infrastructure. As with the aging roadway, there is also significant work that must be done with the underground utility system to ensure the safe delivery of water and the efficient removal storm and waste water. The Village is working on a five year financial forecast in order to prioritize and fund future water and sewer capital projects.

The housing stock of the Village is an invaluable asset that attracts many from all over the Chicago metro area. Western Springs is a stable community, with over 95% of home categorized as single family, owner occupied residents. Housing values are steadily climbing with a 20.6% increase in median sale price since 2016. Consequently, building permits represent a critical revenue source, and 2017 activity remained strong. Permits generated from teardowns and the Timber Trails subdivision accounted for 6.5% of the General Fund revenue, which is consistent with the prior year. Teardowns (houses rebuilt after 1970) represent approximately 30% of the total homes in Western Springs. If the economy continues to grow resulting in higher gross domestic product and wages, along with the expansion of household income, the Village's housing market should continue to benefit.

Village management has been committed to maintaining all services while keeping the cost of providing these services relatively flat in the short term. All operations, including staffing, have been evaluated throughout the year and were adjusted where necessary.

The Village placed a referendum question on the November 2016 election ballot to approve the issuance of \$12 million general obligation bonds to fund a ten-year roadway program. The referendum was overwhelmingly approved by the Western Springs voters. The Village is proposing three separate bond issues over a five-year period.

The Village has maintained a stable financial position, allowing the General Fund to end with operating surpluses in the last eight years. The Village has a General Fund reserve policy to maintain a fund balance of 30% of the current year's operating expenditures. The purpose of such a reserve is to provide resources to guard against the impact of unpredictable financial events. It is also the Village's policy to transfer any General Fund reserves that exceed the 30% threshold to the Special Purpose Reserve Fund to support matching grants, emergencies, or unfunded capital projects.

### **Major Initiatives**

The Village of Western Springs' goal in FY 2017 continues to be the provision of a high level of service while managing the costs of such services. Highlights of specific projects and initiatives are:

- **Roadway Infrastructure:** The 2017 roadway program rehabilitated streets that were part of the Village's roadway inventory. An annual survey of streets is completed for the purpose of evaluating the pavement condition and ranking the streets from worst to best. The worst streets are then refurbished to the extent of the annual allocation of the available funds. Since there were limited funds in the Water and Sewerage Fund, the refurbishment of many streets requiring total reconstruction was deferred until monies become available. The 2017 rehabilitation roadway projects were funded by a portion of the General Obligation (alternate revenue source), Series 2015A Bonds. The Village completed a concrete reconstruction of Harvey and Howard Avenues and a concrete rehabilitation of Fair Elms Street. These projects will extend the useful life of those streets.

- **Water System Maintenance:** The Village's water system is self-reliant and uses the Village's own water source, which is processed through the newly implemented reverse osmosis process. As mentioned in last year's CAFR, the damage to the motor in Well #3 (in late 2015) underscored the need to seek an additional acceptable water source. Staff and the Infrastructure Commission were charged with analyzing the comparison between establishing a new well (Well #5) and utilizing a temporary mobile treatment of Well #1. It was determined that the temporary treatment of Well #1 was not cost effective or able to adequately meet the demand. Staff was then directed to evaluate the option of Well #5. The proposed funding for the Well #5 would be a low-interest IEPA Loan.
- **East Railroad Platform:** The Village commenced work to reconstruct the north and south sides of the railroad tracks from Wolf Road to Lawn Avenue in 2017. This project is the last phase of the total reconstruction of the downtown commuter station and will be the template of the Village's downtown streetscape. The project included the addition of an entrance gateway, water features, landscaping, signage, bike stations for parking and storage, American with Disabilities Act (ADA) improvements, and improved pedestrian access along Hillgrove Avenue. A Legacy for Users (TEA-LU) award and a \$250,000 grant from METRA partially funded this project. The completion is scheduled for the summer of 2018.
- **Foxford Development:** The downtown redevelopment plan includes the Foxford Development, which will be located at the southeast corner of Wolf Road and Burlington Avenue, the former sites of Tischler Finer Foods and Breen's Cleaners. The development includes mixed-use commercial and high-end dwelling units. The development's groundbreaking occurred in late 2017 and construction is projected to be completed in early 2019.
- **West Pedestrian Underpass:** The construction of the underpass has been delayed pending the Illinois Tollway proposed reconstruction of Interstate 294 (Tri-State Tollway) which could impact the underpass.
- **Illinois Tollway:** The Village was notified in February 2016 that the Illinois Tollway is planning a major expansion of Interstate 294 (Tri-State Tollway) which borders the western edge of the Village. The initial impact to the Village will be the construction of a shoo-fly for the BNSF Railroad Bridge, which crosses over the interstate into the Village. The bridge work will take approximately two years to complete and is not anticipated to cause disruption to commuters and freight service. The Illinois Tollway is coordinating expansion plans with the Village. Critical infrastructure that may be impacted are being evaluated.

## Other Information

### Independent Audit:

State statutes require an annual audit by an independent certified public accountant. The accounting firm of Sikich LLP is the Village's auditor. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

### Awards:

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Western Springs for its comprehensive annual financial report for the year ended December 31, 2016.

This was the twenty-third year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

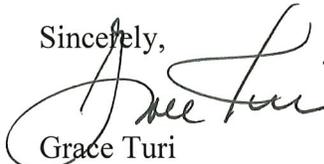
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine eligibility for another certificate.

### Acknowledgments:

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report.

Furthermore, a special thanks to the Village President and Village Board of Trustees for their leadership and support.

Sincerely,



Grace Turi  
Director of Finance  
Village Treasurer

## **FINANCIAL SECTION**

1415 West Diehl Road, Suite 400  
Naperville, IL 60563  
630.566.8400

**SIKICH.COM**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President  
Members of the Board of Trustees  
Village of Western Springs, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Western Springs, Illinois (the Village), as of and for the year ended December 31, 2017, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Village's nonmajor governmental, nonmajor enterprise and fiduciary fund financial statements presented in the accompanying combining and individual fund financial statements and schedules as of and for the year ended December 31, 2017, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Western Springs, Illinois, as of December 31, 2017, 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. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, nonmajor enterprise and fiduciary fund of the Village of Western Springs, Illinois, as of December 31, 2017, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements and on the combining and individual fund financial statements. The financial information listed as schedules in the accompanying table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial

statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic, combining and individual fund financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Sikich LLP*

Naperville, Illinois

June 22, 2018

**GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

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

Since the MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page viii) and the Village's financial statements (beginning on page 4).

### USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

There are three sections to the Village's financial report: the *Introductory Section* which contains the Village's Letter of Transmittal, a copy of the Certificate of Achievement, an organization chart, and a list of officials; the *Financial Section* which contains the independent auditor's opinion, Management's Discussion and Analysis, basic financial statements, required supplementary information, and various combining and individual fund financial statements; and the *Statistical Section* which discloses data designed to further enhance the understanding of the Village's financial health. The Village's financial statements present two kinds of statements, each with a different snapshot of the Village's finances. The financial statements' focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government), and underscores the Village's accountability.

#### Government-wide Financial Statements

The Government-wide Financial Statements (see pages 4-7) are designed to provide the reader with a broad overview of the Village's finances, similar to private sector statements in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government.

*The Statement of Net Position* (see pages 4-5) is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting with economic resources measurement focus. The primary government activities are separated into either governmental or business types. Increases or decreases in net position may be used as indicators of financial stability.

(See independent auditor's report)

VILLAGE OF WESTERN SPRINGS, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

*The Statement of Activities* (see pages 6-7) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including police, fire, code enforcement and public works. Property taxes, shared state sales, local utility, and shared state income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water and Sewerage, Burlington Northern Parking, and E-911 funds), where the fee for service typically covers all of the cost of operation, including depreciation.

### **Fund Financial Statements**

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on major funds, rather than (the previous model's) fund types.

The Governmental Funds (see pages 8-15) section is presented on a basis of sources and uses of liquid resources with a narrower focus than that of the Government-wide Financial Statements. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statement allows the demonstration of sources and uses and/or budgeting compliance associated therewith. The major funds are General, Capital Improvement, Public Benefit, Playground and Recreation, Timber Trails Special Assessment, Roadway Construction, Special Purpose Reserve, and Debt Service funds. The non-major funds are Commercial Business District Parking, Motor Fuel Tax, Roadway Grant, and Tax Increment Financing District funds.

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police and Firefighters' Pensions). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-wide Financial Statements.

While the total column in the Business-type Fund Financial Statements (see pages 16-20) is the same as the Business-type column in the Government-wide Financial Statements, the Governmental Funds total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources), which is reflected on the page following each statement (see pages 12 and 15). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations (bonds and others) into the Governmental Activities column (in the Government-wide Statements).

### **Infrastructure Assets**

The Village is reporting and valuing its assets within the Governmental Activities column of the Government-wide Statements. Additionally, the Village is depreciating these assets over the estimated useful life.

(See independent auditor's report)

**GOVERNMENT-WIDE STATEMENT**

**Statement of Net Position**

The following table reflects the condensed Statement of Net Position:  
For more detailed information see the Statement of Net Position (pages 4-5).

**Table 1**  
**Statement of Net Position**  
**As of December 31, 2017**

	<b>Governmental Activities 2017</b>	<b>Governmental Activities 2016</b>	<b>Business Type Activities 2017</b>	<b>Business Type Activities 2016</b>	<b>Total Primary Government 2017</b>	<b>Total Primary Government 2016</b>
Current and other assets	\$24,281,626	\$22,087,598	\$2,121,600	\$863,226	\$26,403,226	\$22,950,824
Capital assets	80,184,491	79,485,685	15,615,619	15,826,490	95,800,110	95,312,175
Subtotal	104,466,117	101,573,283	17,737,219	16,689,716	122,203,336	118,262,999
Deferred outflows of resources	3,259,855	4,381,048	577,968	572,403	3,837,823	4,953,451
<b>Total Assets and Outflows</b>	<b>\$107,725,972</b>	<b>\$105,954,331</b>	<b>\$18,315,187</b>	<b>\$17,262,119</b>	<b>\$126,041,159</b>	<b>\$123,216,450</b>
Long-term liabilities	28,471,117	25,518,584	8,490,686	8,964,564	36,961,803	34,483,148
Other liabilities	4,659,080	4,610,089	1,221,479	1,621,615	5,880,559	6,231,704
Subtotal	33,130,197	30,128,673	9,712,165	10,586,179	42,842,362	40,714,852
Deferred inflows of resources	7,314,892	6,577,563	164,967	175,756	7,479,859	6,753,319
<b>Total Liabilities and Inflows</b>	<b>\$40,445,089</b>	<b>\$36,706,236</b>	<b>\$9,877,132</b>	<b>\$10,761,935</b>	<b>\$50,322,221</b>	<b>\$47,468,171</b>
Net Position:						
Net investment in capital assets	69,189,177	70,654,082	7,481,302	7,058,911	76,670,479	77,712,993
Restricted	4,761,522	2,664,124	0	0	4,761,522	2,664,124
Unrestricted (Deficit)	(6,669,816)	(4,070,111)	956,753	(558,727)	(5,713,063)	(4,628,838)
<b>Total Net Position</b>	<b>\$67,280,883</b>	<b>\$69,248,095</b>	<b>\$8,438,055</b>	<b>\$6,500,184</b>	<b>\$75,718,938</b>	<b>\$75,748,279</b>

The net position of the Village's governmental activities, a useful indicator of a government's financial position, was \$67,280,883. The Village's combined net position, which represents the Village's bottom line, decreased by \$1,967,212 or 2.84% in FY 2017. The Village's unrestricted net position for governmental activities, the part of net position that can be used to finance day-to-day operations, decreased by 64% from the prior year. The reduction in net position is primarily due to the issuance of the General Obligation Bonds, Series 2017, in the amount of \$4.5 million, increasing the long-term liabilities by 12%. The proceeds from the Series 2017 bonds will be used to fund the 2018 through the 2020 construction season. The 2017 construction season, which included the reconstruction of several streets, was funded by the General Obligation (alternate revenue source) Bonds, Series 2015A.

VILLAGE OF WESTERN SPRINGS, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Also contributing to the increased deficit is the reduction of fund balances in two funds; the Capital Improvement and Special Purpose Reserve Funds. The fund balance of the Capital Improvement Fund was reduced by 37% as the Village drew down on the proceeds from the General Obligation (limited tax) Bonds, Series 2015B, which were used for capital purchases. The Special Purpose Reserve Fund decreased its fund balance by \$1,457,968 as it was used to fund several projects; the Village's portion of the east platform reconstruction, the Village's allocation of the newly operational Lyons Township Area Communication Center, improvements to the Ridgewood Oaks basin, and the water main replacement of an abandoned main on Garden and Rose Avenues.

The Recreation Fund also ended the year with a reduction in its reserves with the completion of a major capital project in 2017. The Recreation Fund will continue to make major capital improvements to the Recreation Center, which is over 20 years old and requires significant investment as the mechanical components of the building have reached the end of their useful life.

The net position of business-type activities was \$8,438,055. The increase in unrestricted net position in business-type activities is due to the net results of operation in the Water and Sewerage, and the Burlington Northern funds. The Water and Sewerage Fund ended the year with an operating income after depreciation. A water and sewer rate increase of \$1.10, or 11%, was implemented in 2017. Increased usage due to a hot and dry summer, and the rate increase led to a rise in revenue. Additional information about this fund may be found in this discussion and the Comprehensive Annual Financial Report (CAFR)

The Burlington Northern Fund unrestricted net position increased by over ten-fold in 2017. The sources of the increase were a transfer from the Special Purpose Reserve Fund and capital grants. Those resources will be used to fund the completion of the east platform redesign and rehabilitation.

### **Normal Impacts**

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

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

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

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

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

**Reduction of Capital Assets through Depreciation** – which will reduce capital assets and invested in capital assets, net of debt

(See independent auditor's report)

### **Infrastructure**

Annually, the Village's roadway program mission is to address the worst streets within the budgetary limitations. Infrastructure is evaluated yearly and ranked from worst to best. The 2017 roadway program was funded with proceeds from General Obligation (alternate revenue source) Bonds, Series 2015A. The 2017 projects were considered as reconstruction, and included a concrete reconstruction of Harvey and Howard Avenues and a concrete rehabilitation of Fair Elms Street.

The Village started the construction phase of the redesign and rehabilitation of the east railroad platforms, a project funded through the Transportation Equity Act: A Legacy for Users. The end results will provide additional pedestrian streetscape elements which will model the downtown redevelopment plan and were completed by summer 2018.

To promote community connectivity, the Village, Cook County Forest Preserve District, and Cook County Highway Department are discussing phase two engineering which will connect the intersection of Wolf Road and Ogden Avenue to the Salt Creek Bike Path. Funding has been approved by the Illinois Transportation Enhancement Program (ITEP).

### **Water and Sewer Projects**

As with any mature community, a primary concern is aging infrastructure. Approximately half of the Village's 52 mile of water mains are over 80 years old and finding funding is imperative in order to meet the constant need to either repair, replace or refurbish the existing mains. Water mains and storm water sewer improvements are often done in conjunction with road reconstructions in order to minimize the impact on the roads. Limited resources in the Water and Sewerage fund have made the coordination of road reconstruction, which is funded by referendum bonds, and water main replacement problematic. In addition to a water and sewerage rate increase, \$600,000 was transferred from the Special Purpose Reserve Fund as a one-time transfer to provide additional resources for capital projects.

Another water project that the Village is working on is the construction of Well #5. Since daily demand cannot be met from Well #3 or Well #4 (individually) output, the Village evaluated two options that could meet excess demand: the temporary mobile reverse osmosis (r/o) treatment of Well #1, or the establishment of Well #5. An assessment of both options indicated that the mobile reverse osmosis treatment would require significant capital outlay, incur large water losses, and have a long deployment time. Importantly, the water loss from the mobile r/o process will prevent the Village from meeting the demand on days where the demand is high, which is at least 25% of each occurrence.

VILLAGE OF WESTERN SPRINGS, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The construction of Well #5 which is a deep well, would provide water comparable to the existing Well #3 and Well #4, as it will draw from the same aquifer. The purpose of digging Well #5 is to provide significantly improved water quality relative to the untreated shallow Well #1 during periods of maintenance, as well as provide excess capacity if the Village grows and demand follows.

The Infrastructure Commission was tasked with finding the most feasible location for Well #5. The Commission recommended that the site be located in the Village's right of way, east of Field Park School, west of Linden Avenue, and north of Hillgrove Avenue, located near Field Park. Evaluation of the site is on-going.

It is proposed that advancing with Well #5 will require funding from the Illinois Environmental Protection Agency (IEPA) through a low-interest loan. Staff is also coordinating several other IEPA eligible projects in addition to Well #5, including water main reconstruction on Clausen, Rose and Grove Avenues, and the painting of the 48<sup>th</sup> Street standpipe, and the Spring Rock Park elevated tank. It is anticipated that work on the tanks and Well #5 will commence in 2019.

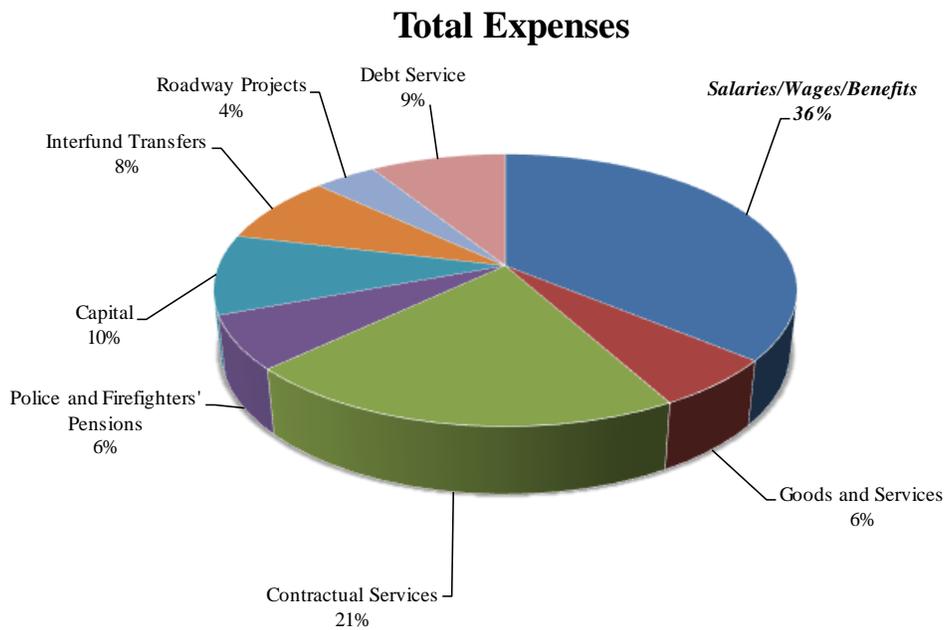
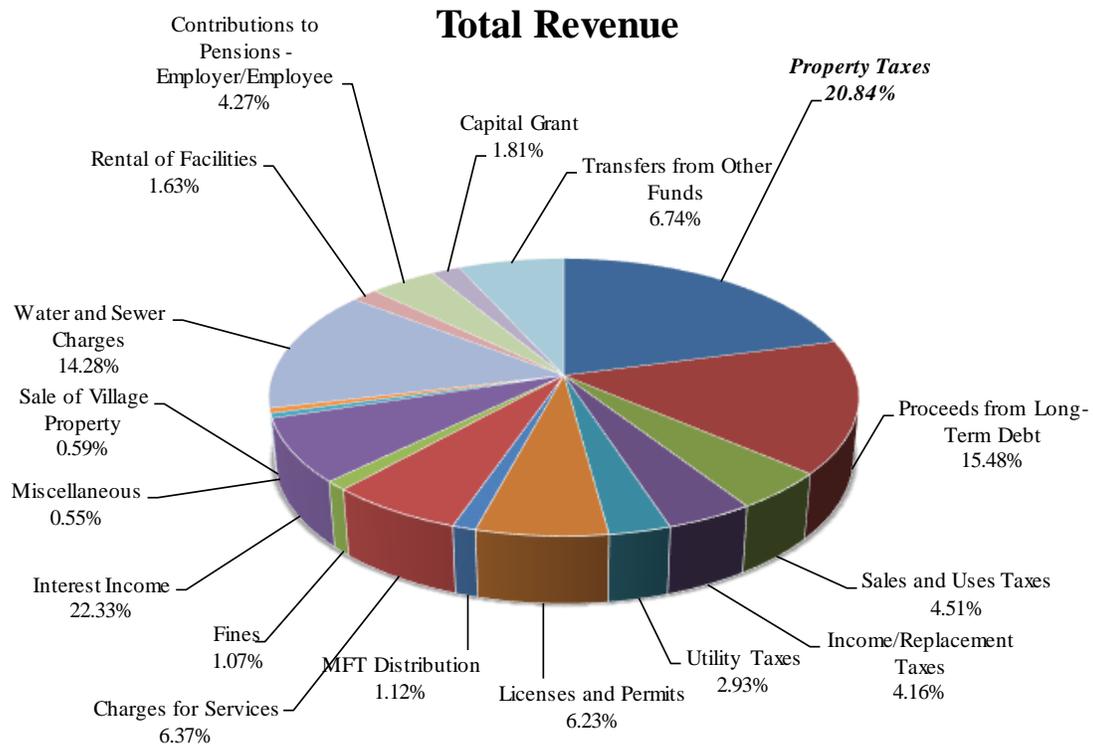
VILLAGE OF WESTERN SPRINGS, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

**Table 2**  
**Changes in Net Position**  
**For Fiscal Year Ended December 31, 2017**

	<b>Governmental Activities 2017</b>	<b>Governmental Activities 2016</b>	<b>Business Type Activities 2017</b>	<b>Business Type Activities 2016</b>	<b>Total Primary Government 2017</b>	<b>Total Primary Government 2016</b>
<b>REVENUES</b>						
Program Revenues:						
Charges for services	\$3,384,279	\$3,184,108	\$4,313,509	\$3,707,399	\$7,697,788	\$6,891,507
Operating grants and contributions	407,121	391,630	492,326	0	899,447	391,630
Capital grants and contributions	34,862	13,426	0	0	34,862	13,426
General Revenues:						
Property taxes	6,064,042	5,898,916	107,761	115,547	6,171,803	6,014,463
Other taxes	2,216,004	2,196,439	0	0	2,216,004	2,196,439
Other	2,424,343	2,381,600	48,822	15,560	2,473,165	2,397,160
<b>Total Revenues</b>	<b>14,530,651</b>	<b>14,066,119</b>	<b>4,962,418</b>	<b>3,838,506</b>	<b>19,493,069</b>	<b>17,904,625</b>
<b>EXPENSES</b>						
General Government	2,634,147	2,639,175	0	0	2,634,147	2,639,175
Public Safety	7,596,882	7,920,924	0	0	7,596,882	7,920,924
Municipal Services	2,794,550	3,411,564	0	0	2,794,550	3,411,564
Culture and Recreation	1,605,453	1,695,442	0	0	1,605,453	1,695,442
Economic Development	4,648	4,255	0	0	4,648	4,255
Interest	415,792	291,867	0	0	415,792	291,867
Water and Sewer	0	0	3,668,216	3,700,587	3,668,216	3,700,587
Parking	0	0	652,391	482,444	652,391	482,444
E 911	0	0	150,331	387,121	150,331	387,121
<b>Total Expenses</b>	<b>15,051,472</b>	<b>15,963,227</b>	<b>4,470,938</b>	<b>4,570,152</b>	<b>19,522,410</b>	<b>20,533,379</b>
<b>Excess/(Deficiency)</b>	<b>(520,821)</b>	<b>(1,897,108)</b>	<b>491,480</b>	<b>(731,646)</b>	<b>(29,341)</b>	<b>(2,628,754)</b>
Transfers In (Out)	(1,446,391)	(356,887)	1,446,391	356,887	0	0
<b>Changes in Net Position</b>	<b>(1,967,212)</b>	<b>(2,253,995)</b>	<b>1,937,871</b>	<b>(374,759)</b>	<b>(29,341)</b>	<b>(2,628,754)</b>
<b>Net Position, January 1</b>	<b>69,248,095</b>	<b>70,876,130</b>	<b>6,500,184</b>	<b>6,624,457</b>	<b>75,748,279</b>	<b>77,500,587</b>
<b>Change In Accounting Principle Prior Period Adjustment</b>		<b>625,960</b>		<b>250,486</b>	<b>0</b>	<b>876,446</b>
<b>Net Position, January 1, Restated</b>		<b>71,502,090</b>		<b>6,874,943</b>	<b>75,748,279</b>	<b>78,377,033</b>
<b>Net Position, December 31</b>	<b>\$67,280,883</b>	<b>\$69,248,095</b>	<b>\$8,438,055</b>	<b>\$6,500,184</b>	<b>\$75,718,938</b>	<b>\$75,748,279</b>

(See independent auditor's report)  
MD&A 7

VILLAGE OF WESTERN SPRINGS, ILLINOIS  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)



VILLAGE OF WESTERN SPRINGS, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

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

**Revenues:**

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

**Increase/Decrease in Village-approved Rates** – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (property taxes, water/sewer charges, impact fees, building fees, utility tax rates, etc.).

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

**Market Impacts on Investment Income** – the Village's investment portfolio is managed using a longer maturity and the market condition may cause investment income to fluctuate more than alternative shorter-term options.

**Expenses:**

**Introduction of New Programs** – within the functional expense categories (Municipal Services, Law Enforcement Services, Fire and Inspectional Services, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

**Increase in Authorized Personnel** – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 36% of the Village's total expenditures.

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

### **Current Year Impacts**

#### ***Revenues***

The FY 2017 revenue projections were modest even as the economy grew only 2.3% in 2017. Revenue projections for income and sales taxes were increased to reflect the expansion of the economy, however only sales tax revenue provided growth. Generally, the other significant revenue projections remained flat unless licenses or fees were increased. Property taxes are the Village's largest operating revenue source, with receipts of \$6,171,803 for both governmental and business-type activities. Sales tax revenues combined with the local utility tax, telecommunications tax, replacement tax, shared state income tax, and franchise fee revenue totaled 3,718,050, representing 25.8% of the total Governmental Fund's revenue, which is consistent with the previous year. Total General Fund revenue for FY 2017 realized modest growth with a 2.7% increase over the prior year. Sales taxes receipts were 3.7% higher than the previous year, which continues the upward trend experienced over the last five years. Strong sales in grocery and internet transactions and the addition of several restaurants factored in the progression. Ambulance fees were raised in 2017 to offset the actual costs for providing ambulance and emergency medical services which have escalated over the past several years. This resulted in a 21.3% increase in ambulance fee revenue. The Village also increased the annual cost of vehicle licenses by \$15.00, providing a 42.5% bump. The building permit revenue received in 2017 was relatively flat with emphasis on permits issued for teardowns and building improvements. Overall, operations in the General Fund generated a positive change in net position adding to its funds balance. At year end the fund balance was 35% of the FY 2017 budgeted operating expenditures. It is projected that the Village may draw down on its fund balance in FY 2018 to accommodate the reduction in Local Government Distributive Fund (LGDF) from the State of Illinois. The FY 2018 State budget included a 10% reduction of the LGDF distribution. According to the State, this reduction is to be offset by the acceleration of the distributions from 12 to 14 in State's fiscal year (7/1/2017 to 6/30/18). However, this is just the elimination of a two-month lag of funds already due to the Village and has been accrued.

The total interest income earned in FY 2017 for all funds was 207% higher than FY 2016. The increase is due to the performance of the Police Pension Fund, which was up 15.32% for the year, a significant increase over the 2016 return of 4.85%. The growth in appreciation and earnings contributed to the increase in funded percentage from 53.88% to 54.11%.

The water and sewer rate was increased by \$1.90 per thousand gallons and added a capital maintenance fee of \$5.00 per billing period in January 2017. The increase was implemented to fund a portion of the debt service related to the reverse osmosis water plant project and the capital maintenance fee will be reserved for capital projects. Annual increases are included in the 5-Year Water and Sewerage Capital Plan.

## **Expenses**

For the fiscal year ended December 31, 2017, expenses for governmental and business-type activities totaled \$15,051,472 and \$4,470,938 respectively. Overall, all costs associated with personnel decreased by 3.18% over the prior year, partially due to the transfer of dispatch services to the Lyon Township Area Communication Center. This reduction in personnel cost was offset with in an increase in commodities which included the Villages' contribution to LTAAC for dispatch services. The Village incurred a 20.91% decrease in its IMRF contribution as the 2017 rate was decreased by 9.1% and the overtime costs were 14.68% lower than the previous year, as the Law Enforcement department was able to maintain higher staffing levels with the return of officers who were on leave. Health insurance costs remained flat with a less than one-percent increase. The Village provides health insurance and pension benefits to its full-time (30 hours/week or more) employees in a shared cost allocation. The Village's contribution to the Police Pension Fund was increased by an additional 12.86% in FY 2017 and was based on an actuarial evaluation.

Operational expenses incurred in FY 2017 remained flat compared to the prior year. The Village continues to allocate resources to its forestry. It continues to monitor the progress of the emerald ash borer insect infestation since its existence was confirmed in August 2011. This insect is fatal to the ash tree and may eventually decimate the Village's entire ash tree population. The Village is currently in the Cook County-defined quarantine zone, protecting its ash trees. The intent of the Village's aggressive treatment program is to space out the eventual removal of all the 1,300 ash trees in the Village. The maintenance program, which started in FY 2012, includes treatment of 600 of the healthiest ash trees on a biennial basis. A recent study shows that the treatment is effective in slowing the infestation. The Village chemically treated approximately 554 trees in 2017. It is evident that the untreated trees are declining at an accelerated rate with the removal of 137 ash trees in 2017. The funding of this program will continue for the foreseeable future.

## **FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS**

For the fiscal year ended December 31, 2017, the governmental funds reflect a combined fund balance of \$14,401,479 as compared to \$12,661,267 at year-end FY 2016. The General Fund ended the year with a positive net change of \$672,573 before an operating transfer of \$427,628 to the Debt Service Fund to cover the annual debt service of the General Obligation Bonds, Series 2015A. At year-end the fund balance of the General Fund represented 35% of the FY 2017 amended operating budget. The General Fund's reserve policy requires the Village to maintain 30% of the current operating budget in reserves. The Village Board may, at its discretion, transfer any amount over the reserve requirement to the Special Purpose Reserve Fund. The source of the surplus was a strong revenue base including building permits, income taxes, and sales taxes, which were offset by flat expenditure levels. Western Springs continues to benefit from the expanding economy with strong building permits and sales tax receipts, as well increased vehicle licenses and ambulance fees. The Village is well served with its demographics of a stable, established community. The Village's fiscal concern lies outside its borders and with the State of Illinois which has recently adopted a fiscal budget after two years without one. The State's financial difficulties are wide and deep, ranging from unyielding and unfunded pension to Medicaid liabilities. To address some of these issues the State reduced the allocation of the Local Government Distributive Fund (LGDF).

(See independent auditor's report)

**Table 3**  
**General Fund Budgetary Highlights**

<b>General Fund</b>	<b>FY 2017 Original Budget</b>	<b>FY 2017 Amended Budget</b>	<b>Actual</b>
<b>Revenues</b>			
Taxes	\$6,937,355	\$6,937,355	\$6,851,092
Licenses and Permits	1,715,025	1,715,025	1,567,589
Intergovernmental	1,460,714	1,460,714	1,348,461
Other	1,208,055	1,208,055	1,373,164
<b>Total</b>	<b>\$11,321,149</b>	<b>\$11,321,149</b>	<b>\$11,140,306</b>
<b>Expenditures and Transfers</b>			
General Government	(2,377,891)	(2,498,391)	(2,380,379)
Public Safety	(6,783,821)	(6,796,362)	(6,544,495)
Municipal Services	(1,692,669)	(1,705,202)	(1,542,859)
Transfers Out	(360,325)	(427,628)	(427,628)
<b>Total</b>	<b>(\$11,214,706)</b>	<b>(\$11,427,583)</b>	<b>(\$10,895,361)</b>
<b>Net Change in Fund Balance</b>	<b>\$106,443</b>	<b>(\$106,434)</b>	<b>\$244,945</b>

The Playground and Recreation Fund accounts for the recreation programs offered by the Village. The recreation programs are funded by user fees, rent paid by contractors who occupy recreation facilities, and a small portion of the property taxes. The Village’s long-term plan for the Recreation Fund is to accumulate sufficient funds to pay for the capital improvements of its facilities which are aging and will require some rehabilitation.

The FY 2017 roadway construction program is accounted for in the Roadway Construction Fund and funded by the \$3 million General Obligation (alternate revenue source) Bond, Series 2015A issued in early 2015. The proceeds were essentially depleted at the end of the 2017 construction season. To meet the demands of succeeding construction projects, a referendum to issue bonds in the amount of \$12 million was approved by the residents in 2016. The first installment in the amount of \$3.25 million was issued on 2017. It is projected that Series 2017 will provide resources for three construction seasons.

The Timber Trails Special Assessment Fund accounts for all the public improvements in the Timber Trails subdivision. By year’s end, 90% of the public improvements were completed. The subdivision has attracted buyers from the greater Chicagoland area and continues to do so.

VILLAGE OF WESTERN SPRINGS, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

**Capital Assets**

At the end of FY 2017, the Governmental Fund’s total net investment in a variety of capital assets and infrastructure totaled \$80,184,491 (see Notes to Financial Statements No.4). Assets supporting governmental activities increased slightly from FY 2016 with the purchase of a Pierce Saber Pumper, a HVAC upgrade for the Recreation Center and the reconstruction of portions of Harvey, Fair Elms and Howard Avenues. The business-type assets decreased from the prior year as the assets in the E-911 funds were transferred to the governmental activities as the emergency dispatch service was moved to the Lyons Township Area Communication Center (LTACC), an intergovernmental emergency dispatch entity. The reduction is also partially due to the depreciation expense exceeding the additions to capital during the year. The following schedule details the categories of capital assets.

**Table 4**  
**Capital Assets**  
**Net of Accumulated Depreciation**

	Governmental Activities		Business - Type Activities		Total 2017	Total 2016	Total % Change
	2017	2016	2017	2016			
<b>Non-Depreciable Assets</b>							
Land Right of Way	\$55,706,549	\$55,728,929	\$27,962	\$27,962	\$55,734,511	\$55,756,891	-0.04%
Construction in Progress			399,122	0			
<b>Other Capital Assets</b>							
Infrastructure	16,746,200	16,363,955	0	0	16,746,200	16,363,955	2.28%
Buildings	6,157,085	6,249,969	1,527,408	1,520,775	7,684,493	7,770,744	-1.12%
Motor Equipment	1,471,469	1,077,005	0	0	1,471,469	1,077,005	26.81%
Furniture and Equipment	103,188	65,827	0	0	103,188	65,827	36.21%
Vehicles and Equipment	0	0	517,830	559,249	517,830	559,249	-8.00%
Land Improvements	0	0	1,337,585	1,406,986	1,337,585	1,406,986	-5.19%
Water System	0	0	10,315,952	10,799,869	10,315,952	10,799,869	-4.69%
Sewer System	0	0	1,489,760	1,511,649	1,489,760	1,511,649	-1.47%
<b>Total</b>	<b>\$80,184,491</b>	<b>\$79,485,685</b>	<b>\$15,615,619</b>	<b>\$15,826,490</b>	<b>\$95,400,988</b>	<b>\$95,312,175</b>	<b>0.09%</b>

**Long-Term Debt**

The Village has a legal debt limit of \$53,454,103, which is defined as 8.625% of the equalized assessed value. The limit increased as the 2016 Equalized Assessed Valuation (EAV) increased by 5.8%. The total outstanding debt is \$21,997,698 of which \$10,295,000 is applied to the legal limit and will be paid from property taxes. The General Obligation Alternate Revenue Bonds are paid from utility taxes. \$7,557,698 is the direct obligation of the Water and Sewerage Fund. The debt ratio of the Village is 19.26%. The Village has consistently maintained Moody’s Investors Services bond rating of Aa2, which was reconfirmed in March 2017. As stated by Moody’s, the rating reflects the steady growth in the Village’s mature tax base, its demonstrated history of sound financial operations, and a moderate debt burden obligation subject to aggressive retirement.

(See independent auditor’s report)

VILLAGE OF WESTERN SPRINGS, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

A referendum question was placed on the November 8, 2016 election ballot asking voters for the authority to issue \$12 million General Obligation Bonds for street improvements. The referendum passed, allowing the Village the ability to issue bonds to fund approximately ten years of a road improvement program. The Village issued General Obligation Bonds, Series 2017 in the amount of \$4.5 million as the first of three installments, the balance to be issued in 2019 and 2021.

**Table 5**  
**Schedule of Outstanding Bonds**

	<b>Payable from Governmental Activities</b>		<b>Payable from Business - Type Activities</b>		<b>Total</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	General Obligation Bonds (Alternate Revenue)	\$3,000,000	\$3,355,000	\$585,000	\$770,000	\$3,585,000
General Obligation Bonds (Limited Tax) Debt Service	2,230,000	2,435,000	0	0	2,230,000	2,435,000
General Obligation Bonds	8,065,000	3,970,000	0	0	8,065,000	3,970,000
Notes Payable	280,000	336,000	0	0	280,000	336,000
Promissory Note	280,000	315,000	0	0	280,000	315,000
IEPA Loans	0	0	7,557,698	8,011,452	7,557,698	8,011,452
<b>Total</b>	<b>\$13,855,000</b>	<b>\$10,411,000</b>	<b>\$8,142,698</b>	<b>\$8,781,452</b>	<b>\$21,997,698</b>	<b>\$19,192,452</b>

See Notes to Financial Statements No. 5 for additional information.

**Economic Factors**

The Village is primarily a residential community with a very small commercial component. Property tax revenue derived from the households is exceedingly stable. According to census data, a significant portion of the Village households are occupied by young professionals and well over 30% of the households have income in the highest tax bracket. Furthermore, a quarter of the homes in the Village are owned without any encumbrances. The Village continues to experience significant enhancement to its housing stock by way of teardowns and major additions. Well-regarded schools and recreational facilities as well as a highly desirable location have allowed the median house value to exceed that of the surrounding Cook County communities. Overall, it is expected that Western Springs will continue to be less susceptible to economic fluctuations and remain stable.

**CONTACTING THE VILLAGE’S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village’s finances and to demonstrate the Village’s accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Grace Turi, Director of Finance, Village of Western Springs, 740 Hillgrove Avenue, Western Springs, Illinois 60558.

(See independent auditor’s report)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

STATEMENT OF NET POSITION

December 31, 2017

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 9,199,751	\$ 1,121,173	\$ 10,320,924
Investments	7,349,687	-	7,349,687
Restricted Investments	21,219	-	21,219
Receivables (Net of Allowances for Uncollectibles)			
Property Taxes	6,528,841	116,629	6,645,470
Accounts	-	641,472	641,472
Accrued Interest	2,212	-	2,212
Other	802,002	-	802,002
Due from Other Governments	344,152	242,326	586,478
Prepaid Expenses	33,762	-	33,762
Capital Assets Not Being Depreciated	55,706,549	427,084	56,133,633
Capital Assets Being Depreciated (Net of Accumulated Depreciation)	24,477,942	15,188,535	39,666,477
 Total Assets	 104,466,117	 17,737,219	 122,203,336
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Items - IMRF	1,264,976	569,587	1,834,563
Pension Items - Police Pension	1,909,572	-	1,909,572
Pension Items - Firefighters' Pension	16,991	-	16,991
Unamortized Loss on Refunding	68,316	8,381	76,697
 Total Deferred Outflows of Resources	 3,259,855	 577,968	 3,837,823
 Total Assets and Deferred Outflows of Resources	 107,725,972	 18,315,187	 126,041,159

(This statement is continued on the following page.)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2017

	Governmental Activities	Business-Type Activities	Total
<b>LIABILITIES</b>			
Accounts Payable	\$ 316,415	\$ 487,240	\$ 803,655
Contracts Payable	84,271	-	84,271
Accrued Interest	93,017	1,704	94,721
Accrued Payroll	146,809	24,562	171,371
Deposits	2,282,170	23,295	2,305,465
Other Payables	11,502	23	11,525
Due to Other Governments	5,249	-	5,249
Unearned Revenue	516,367	46,260	562,627
Noncurrent Liabilities			
Due Within One Year	1,203,280	638,395	1,841,675
Due in More than One Year	28,471,117	8,490,686	36,961,803
<b>Total Liabilities</b>	<b>33,130,197</b>	<b>9,712,165</b>	<b>42,842,362</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Property Taxes	6,517,364	116,420	6,633,784
Pension Items - Police Pension	689,709	-	689,709
Pension Items - IMRF	107,819	48,547	156,366
<b>Total Deferred Inflows of Resources</b>	<b>7,314,892</b>	<b>164,967</b>	<b>7,479,859</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>40,445,089</b>	<b>9,877,132</b>	<b>50,322,221</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	69,189,177	7,481,302	76,670,479
Restricted for			
Capital Improvements	1,032,608	-	1,032,608
Maintenance of Roadways	3,496,318	-	3,496,318
Subdivision Improvements	21,219	-	21,219
Debt Service	211,377	-	211,377
Unrestricted	(6,669,816)	956,753	(5,713,063)
<b>TOTAL NET POSITION</b>	<b>\$ 67,280,883</b>	<b>\$ 8,438,055</b>	<b>\$ 75,718,938</b>

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2017

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General Government	\$ 2,634,147	\$ 431,030	\$ 44,771	\$ -
Public Safety	7,596,882	339,229	27,002	12,897
Municipal Services	2,794,550	1,468,182	335,348	21,965
Economic Development	4,648	-	-	-
Culture and Recreation	1,605,453	1,145,838	-	-
Interest	415,792	-	-	-
Total Governmental Activities	15,051,472	3,384,279	407,121	34,862
Business-Type Activities				
Water and Sewer	3,668,216	4,140,796	-	-
Burlington Northern Parking	652,391	183,784	-	492,326
Emergency 911	150,331	(11,071)	-	-
Total Business-Type Activities	4,470,938	4,313,509	-	492,326
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 19,522,410</b>	<b>\$ 7,697,788</b>	<b>\$ 407,121</b>	<b>\$ 527,188</b>

	<b>Net (Expense) Revenue and Change in Net Position</b>		
	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
	\$ (2,158,346)	\$ -	\$ (2,158,346)
	(7,217,754)	-	(7,217,754)
	(969,055)	-	(969,055)
	(4,648)	-	(4,648)
	(459,615)	-	(459,615)
	(415,792)	-	(415,792)
	(11,225,210)	-	(11,225,210)
	-	472,580	472,580
	-	23,719	23,719
	-	(161,402)	(161,402)
	-	334,897	334,897
	(11,225,210)	334,897	(10,890,313)
<b>General Revenues</b>			
<b>Taxes</b>			
Property	6,064,042	107,761	6,171,803
Sales, Local Use	1,337,154	-	1,337,154
Utility	570,747	-	570,747
Telecommunications	308,103	-	308,103
<b>Intergovernmental - Unrestricted</b>			
Income Tax	1,191,568	-	1,191,568
Replacement Tax	30,808	-	30,808
Investment Income	94,168	8,961	103,129
Miscellaneous	989,471	35,753	1,025,224
Gain (Loss) on Sale of Capital Assets	118,328	4,108	122,436
Transfers In (Out)	(1,446,391)	1,446,391	-
<b>Total</b>	<b>9,257,998</b>	<b>1,602,974</b>	<b>10,860,972</b>
<b>CHANGE IN NET POSITION</b>	<b>(1,967,212)</b>	<b>1,937,871</b>	<b>(29,341)</b>
<b>NET POSITION, JANUARY 1</b>	<b>69,248,095</b>	<b>6,500,184</b>	<b>75,748,279</b>
<b>NET POSITION, DECEMBER 31</b>	<b>\$ 67,280,883</b>	<b>\$ 8,438,055</b>	<b>\$ 75,718,938</b>

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

BALANCE SHEET  
GOVERNMENTAL FUNDS

December 31, 2017

	<u>General</u>	<u>Playground and Recreation</u>	<u>Capital Improvement</u>	<u>Roadway Construction</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,827,466	\$ 597,243	\$ 760,576	\$ 2,510,541
Investments	2,789,375	-	323,791	2,222,042
Restricted Investments	-	-	-	-
Receivables (Net of Allowances for Uncollectibles)				
Property Taxes	4,770,571	355,569	212,588	4,289
Accrued Interest	977	-	-	1,076
Other				
Utility Taxes	127,100	-	-	-
Miscellaneous	672,986	1,916	-	-
Due from Other Funds	-	-	-	-
Due from Other Governments				
Municipal Sales Tax	293,302	-	-	-
Motor Fuel Tax/CMAQ Grant	-	-	-	-
Other	214	-	-	-
Prepaid Items	33,762	-	-	-
Advance to Other Funds	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 10,515,753</u>	<u>\$ 954,728</u>	<u>\$ 1,296,955</u>	<u>\$ 4,737,948</u>

	<b>Public Benefit</b>	<b>Timber Trails Special Assessment</b>	<b>Special Purpose Reserve</b>	<b>Debt Service</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$	1,321,383	\$ -	\$ 230,657	\$ 209,727	\$ 1,742,158	\$ 9,199,751
	164,401	-	1,550,078	-	300,000	7,349,687
	-	21,219	-	-	-	21,219
	-	-	-	1,185,824	-	6,528,841
	-	-	159	-	-	2,212
	-	-	-	-	-	127,100
	-	-	-	-	-	674,902
	-	-	104,020	-	-	104,020
	-	-	-	-	-	293,302
	-	-	-	-	50,636	50,636
	-	-	-	-	-	214
	-	-	-	-	-	33,762
	-	-	100,000	-	-	100,000
<b>\$</b>	<b>1,485,784</b>	<b>\$ 21,219</b>	<b>\$ 1,984,914</b>	<b>\$ 1,395,551</b>	<b>\$ 2,092,794</b>	<b>\$ 24,485,646</b>

(This statement is continued on the following pages.)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

BALANCE SHEET (Continued)  
GOVERNMENTAL FUNDS

December 31, 2017

	General	Playground and Recreation	Capital Improvement	Roadway Construction
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 207,545	\$ 42,339	\$ 50,938	\$ 5,727
Contracts Payable	-	23,200	-	61,071
Accrued Payroll	137,815	8,166	-	828
Deposits	896,533	-	-	-
Due to Other Governments	4,499	750	-	-
Other Payables	10,273	-	1,229	-
Unearned Revenue				
Parking Permits	-	-	-	-
Other	485,476	22,340	-	-
Due to Other Funds	86,669	-	-	-
Advance from Other Funds	-	-	-	-
<b>Total Liabilities</b>	<b>1,828,810</b>	<b>96,795</b>	<b>52,167</b>	<b>67,626</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Property Taxes	4,761,854	354,875	212,180	4,281
<b>Total Deferred Inflows of Resources</b>	<b>4,761,854</b>	<b>354,875</b>	<b>212,180</b>	<b>4,281</b>
<b>FUND BALANCES</b>				
Nonspendable				
Prepaid Items	33,762	-	-	-
Restricted				
Capital Improvements	-	-	1,032,608	-
Maintenance of Roadways	-	-	-	4,666,041
Subdivision Improvements	-	-	-	-
Debt Service	-	-	-	-
Unrestricted				
Assigned				
Quasiquicentennial	48,276	-	-	-
Recreation	-	503,058	-	-
Capital Projects	-	-	-	-
Commuter Improvements	-	-	-	-
Unassigned (Deficit)	3,843,051	-	-	-
<b>Total Fund Balances</b>	<b>3,925,089</b>	<b>503,058</b>	<b>1,032,608</b>	<b>4,666,041</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 10,515,753</b>	<b>\$ 954,728</b>	<b>\$ 1,296,955</b>	<b>\$ 4,737,948</b>

<b>Public Benefit</b>	<b>Timber Trails Special Assessment</b>	<b>Special Purpose Reserve</b>	<b>Debt Service</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 1,057	\$ -	\$ -	\$ -	\$ 8,809	\$ 316,415
-	-	-	-	-	84,271
-	-	-	-	-	146,809
1,385,637	-	-	-	-	2,282,170
-	-	-	-	-	5,249
-	-	-	-	-	11,502
-	-	-	-	8,551	8,551
-	-	-	-	-	507,816
-	-	-	-	17,351	104,020
-	-	-	-	100,000	100,000
1,386,694	-	-	-	134,711	3,566,803
-	-	-	1,184,174	-	6,517,364
-	-	-	1,184,174	-	6,517,364
-	-	-	-	-	33,762
-	-	-	-	-	1,032,608
-	-	-	-	1,918,346	6,584,387
-	21,219	-	-	-	21,219
-	-	-	211,377	-	211,377
-	-	-	-	-	48,276
-	-	-	-	-	503,058
99,090	-	1,984,914	-	4,615	2,088,619
-	-	-	-	75,327	75,327
-	-	-	-	(40,205)	3,802,846
99,090	21,219	1,984,914	211,377	1,958,083	14,401,479
\$ 1,485,784	\$ 21,219	\$ 1,984,914	\$ 1,395,551	\$ 2,092,794	\$ 24,485,646

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

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

December 31, 2017

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	\$ 14,401,479
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	80,184,491
Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(2,023,997)
Net pension liability for the Police Pension Fund is shown as a liability on the statement of net position	(12,847,269)
Net pension liability for the Firefighters' Pension Fund is shown as a liability on the statement of net position	(37,453)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	1,157,157
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Police Pension Fund are as deferred outflows and inflows of resources on the statement of net position	1,219,863
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Firefighters' Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	16,991
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds payable	(13,295,000)
Notes payable	(560,000)
Compensated absences payable	(472,802)
Net other postemployment benefit obligation	(141,177)
Interest payable	(93,017)
Unamortized loss on refunding	68,316
Unamortized bond premium	(296,699)
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 67,280,883</u></u>

See accompanying notes to financial statements.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS**

For the Year Ended December 31, 2017

	<b>General</b>	<b>Playground and Recreation</b>	<b>Capital Improvement</b>	<b>Roadway Construction</b>
<b>REVENUES</b>				
Taxes	\$ 6,851,092	\$ 359,145	\$ 210,826	\$ 4,254
Licenses and Permits	1,567,589	-	-	-
Intergovernmental	1,348,461	-	12,897	-
Charges for Services	899,067	1,145,838	-	-
Fines and Forfeits	318,653	-	-	-
Investment Income	34,776	5,655	5,925	20,266
Miscellaneous	120,668	233,949	21,025	-
<b>Total Revenues</b>	<b>11,140,306</b>	<b>1,744,587</b>	<b>250,673</b>	<b>24,520</b>
<b>EXPENDITURES</b>				
Current				
General Government	2,380,379	431	-	-
Public Safety	6,544,495	-	-	-
Municipal Services	1,542,859	56,949	32,241	173,662
Economic Development	-	-	-	-
Culture and Recreation	-	1,380,047	-	-
Capital Outlay	-	279,907	948,422	1,009,760
Debt Service				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	87,970
<b>Total Expenditures</b>	<b>10,467,733</b>	<b>1,717,334</b>	<b>980,663</b>	<b>1,271,392</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>672,573</b>	<b>27,253</b>	<b>(729,990)</b>	<b>(1,246,872)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers (Out)	(427,628)	(62,300)	(41,962)	-
Bonds Issued, at Par	-	-	-	4,500,000
Premium on Bonds	-	-	-	88,864
Sale of Capital Assets	-	-	156,669	-
<b>Total Other Financing Sources (Uses)</b>	<b>(427,628)</b>	<b>(62,300)</b>	<b>114,707</b>	<b>4,588,864</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>244,945</b>	<b>(35,047)</b>	<b>(615,283)</b>	<b>3,341,992</b>
<b>FUND BALANCES, JANUARY 1</b>	<b>3,680,144</b>	<b>538,105</b>	<b>1,647,891</b>	<b>1,324,049</b>
<b>FUND BALANCES, DECEMBER 31</b>	<b>\$ 3,925,089</b>	<b>\$ 503,058</b>	<b>\$ 1,032,608</b>	<b>\$ 4,666,041</b>

	<b>Public Benefit</b>	<b>Timber Trails Special Assessment</b>	<b>Special Purpose Reserve</b>	<b>Debt Service</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$	-	\$ -	\$ -	\$ 852,852	\$ 1,876	\$ 8,280,045
	-	-	-	-	-	1,567,589
	-	-	-	-	352,913	1,714,271
	-	-	-	-	17,050	2,061,955
	-	-	-	-	-	318,653
	3,816	220	15,431	2,455	5,624	94,168
	-	-	-	-	-	375,642
	3,816	220	15,431	855,307	377,463	14,412,323
	-	-	-	-	-	2,380,810
	-	-	-	-	-	6,544,495
	-	-	7,392	-	-	1,813,103
	-	-	-	-	4,648	4,648
	-	-	-	-	-	1,380,047
	-	30,761	-	-	119,830	2,388,680
	-	-	-	1,056,000	-	1,056,000
	-	-	-	295,884	-	383,854
	-	30,761	7,392	1,351,884	124,478	15,951,637
	3,816	(30,541)	8,039	(496,577)	252,985	(1,539,314)
	-	-	-	531,890	-	531,890
	-	-	(1,466,007)	-	-	(1,997,897)
	-	-	-	-	-	4,500,000
	-	-	-	-	-	88,864
	-	-	-	-	-	156,669
	-	-	(1,466,007)	531,890	-	3,279,526
	3,816	(30,541)	(1,457,968)	35,313	252,985	1,740,212
	95,274	51,760	3,442,882	176,064	1,705,098	12,661,267
\$	99,090	\$ 21,219	\$ 1,984,914	\$ 211,377	\$ 1,958,083	\$ 14,401,479

See accompanying notes to financial statements.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

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

For the Year Ended December 31, 2017

<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 1,740,212</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, they are capitalized and depreciated in the statement of activities	
Capital expenditures capitalized	1,879,903
Proceeds from the sale of capital assets in governmental funds is converted to a gain (loss) on sale in the statement of activities	(38,341)
Transfer of capital assets are reported only in the statement of activities	19,616
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	
Compensated absences	64,787
Net other postemployment benefit obligation	(10,179)
Principal repayment	1,056,000
Change in interest payable	(67,442)
Amortization of bond premium	52,661
Proceeds from the issuance of notes or bonds are reported as other financing sources in the governmental funds but not in the statement of activities	
Bonds issued	(4,500,000)
Premium on bonds issued	(88,864)
The amortization of loss on refunding is reported as interest expense on the statement of activities	(17,157)
The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(182,941)
The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(70,295)
The change in the Police Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of financial resources	(645,378)
The change in the Firefighters' Pension Fund net pension liability and deferred outflows of resources is not a source or use of a financial resource	2,578
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation of capital assets	<u>(1,162,372)</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ (1,967,212)</u></b>

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS

December 31, 2017

	Waterworks and Sewerage	Burlington Northern Parking Meter	Nonmajor Enterprise Fund	Total
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	\$ 511,951	\$ 609,222	\$ -	\$ 1,121,173
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)				
Property Taxes	110,628	6,001	-	116,629
Accounts	641,472	-	-	641,472
Other	-	-	-	-
Due from Other Governments	-	242,326	-	242,326
Total Current Assets	1,264,051	857,549	-	2,121,600
<b>NONCURRENT ASSETS</b>				
Capital Assets				
Cost	25,467,623	5,471,142	-	30,938,765
Accumulated Depreciation	(12,788,374)	(2,534,772)	-	(15,323,146)
Net Capital Assets	12,679,249	2,936,370	-	15,615,619
Total Noncurrent Assets	12,679,249	2,936,370	-	15,615,619
Total Assets	13,943,300	3,793,919	-	17,737,219
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized Loss on Refunding	8,381	-	-	8,381
Pension Items - IMRF	541,823	27,764	-	569,587
Total Deferred Outflows of Resources	550,204	27,764	-	577,968
Total Assets and Deferred Outflows of Resources	14,493,504	3,821,683	-	18,315,187

(This statement is continued on the following page.)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF NET POSITION (Continued)  
 PROPRIETARY FUNDS

December 31, 2017

	Waterworks and Sewerage	Burlington Northern Parking Meter	Nonmajor Enterprise Fund	Total
<b>CURRENT LIABILITIES</b>				
Accounts Payable	\$ 152,949	\$ 334,291	\$ -	\$ 487,240
Accrued Interest	1,704	-	-	1,704
Accrued Payroll	23,541	1,021	-	24,562
Deposits Payable	23,295	-	-	23,295
Other Payables	23	-	-	23
Due to Other Funds	-	-	-	-
Unearned Revenue - Other	-	46,260	-	46,260
Current Portion of Compensated Absences	7,173	330	-	7,503
Current Portion of IEPA Loan Payable	435,892	-	-	435,892
Current Portion of General Obligation Bonds Payable	195,000	-	-	195,000
Total Current Liabilities	839,577	381,902	-	1,221,479
<b>NONCURRENT LIABILITIES</b>				
Compensated Absences	64,557	2,970	-	67,527
General Obligation Bonds Payable	390,000	-	-	390,000
IEPA Loan Payable	7,121,806	-	-	7,121,806
Net Pension Liability - IMRF	866,931	44,422	-	911,353
Total Noncurrent Liabilities	8,443,294	47,392	-	8,490,686
Total Liabilities	9,282,871	429,294	-	9,712,165
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Property Taxes	110,429	5,991	-	116,420
Pension Items - IMRF	46,181	2,366	-	48,547
Total Deferred Inflows of Resources	156,610	8,357	-	164,967
Total Liabilities and Deferred Inflows of Resources	9,439,481	437,651	-	9,877,132
<b>NET POSITION</b>				
Net Investment in Capital Assets	4,544,932	2,936,370	-	7,481,302
Unrestricted	509,091	447,662	-	956,753
<b>TOTAL NET POSITION</b>	<b>\$ 5,054,023</b>	<b>\$ 3,384,032</b>	<b>\$ -</b>	<b>\$ 8,438,055</b>

See accompanying notes to financial statements.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS

For the Year Ended December 31, 2017

	<b>Waterworks and Sewerage</b>	<b>Burlington Northern Parking Meter</b>	<b>Nonmajor Enterprise Fund</b>	<b>Total</b>
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 4,140,796	\$ 183,784	\$ (11,071)	\$ 4,313,509
Total Operating Revenues	4,140,796	183,784	(11,071)	4,313,509
<b>OPERATING EXPENSES</b>				
Personal Services	1,392,151	74,379	-	1,466,530
Contractual Services	915,202	289,195	150,331	1,354,728
Supplies and Commodities	489,394	130,534	-	619,928
Total Operating Expenses	2,796,747	494,108	150,331	3,441,186
Operating Income (Loss) Before Depreciation	1,344,049	(310,324)	(161,402)	872,323
DEPRECIATION	748,156	158,283	-	906,439
OPERATING INCOME (LOSS)	595,893	(468,607)	(161,402)	(34,116)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment Income	8,330	631	-	8,961
Miscellaneous	35,753	-	-	35,753
Property Taxes	102,808	4,953	-	107,761
Gain (Loss) on Sale of Capital Assets	4,495	(387)	-	4,108
Interest Expense	(123,313)	-	-	(123,313)
Total Non-Operating Revenues (Expenses)	28,073	5,197	-	33,270
NET INCOME (LOSS) BEFORE TRANSFERS	623,966	(463,410)	(161,402)	(846)
<b>TRANSFERS</b>				
Transfers In	655,000	621,396	189,611	1,466,007
Transfers (Out)	-	-	(19,616)	(19,616)
Total Transfers	655,000	621,396	169,995	1,446,391
NET INCOME (LOSS) BEFORE CAPITAL GRANTS	1,278,966	157,986	8,593	1,445,545
<b>CAPITAL GRANTS</b>	-	492,326	-	492,326
CHANGE IN NET POSITION	1,278,966	650,312	8,593	1,937,871
NET POSITION (DEFICIT), JANUARY 1	3,775,057	2,733,720	(8,593)	6,500,184
<b>NET POSITION, DECEMBER 31</b>	\$ 5,054,023	\$ 3,384,032	\$ -	\$ 8,438,055

See accompanying notes to financial statements.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS

For the Year Ended December 31, 2017

	<b>Waterworks and Sewerage</b>	<b>Burlington Northern Parking Meter</b>	<b>Nonmajor Enterprise Fund</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Customers and Users	\$ 4,085,940	\$ 188,680	\$ 52,254	\$ 4,326,874
Receipts from Miscellaneous Revenues	35,753	-	-	35,753
Payments to Suppliers	(1,403,709)	(271,032)	(241,865)	(1,916,606)
Payments to Employees	(1,242,662)	(64,334)	-	(1,306,996)
Net Cash from Operating Activities	1,475,322	(146,686)	(189,611)	1,139,025
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Principal Payments on IEPA Loans	(453,754)	-	-	(453,754)
Principal Payments on Bonds	(185,000)	-	-	(185,000)
Capital Assets Purchased	(244,854)	(218,368)	-	(463,222)
Proceeds from Capital Grants	-	250,000	-	250,000
Interest Paid	(118,092)	-	-	(118,092)
Net Cash from Capital and Related Financing Activities	(1,001,700)	31,632	-	(970,068)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Interfund Payment	(727,944)	-	-	(727,944)
Interfund Receipt	655,000	621,396	189,611	1,466,007
Property Taxes Received	102,943	4,959	-	107,902
Net Cash from Noncapital Financing Activities	29,999	626,355	189,611	845,965
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest Received	8,330	631	-	8,961
Net Cash from Investing Activities	8,330	631	-	8,961
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	511,951	511,932	-	1,023,883
CASH AND CASH EQUIVALENTS, JANUARY 1	-	97,290	-	97,290
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<b>\$ 511,951</b>	<b>\$ 609,222</b>	<b>\$ -</b>	<b>\$ 1,121,173</b>

(This statement is continued the following page.)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)  
 PROPRIETARY FUNDS

For the Year Ended December 31, 2017

	<b>Waterworks and Sewerage</b>	<b>Burlington Northern Parking Meter</b>	<b>Nonmajor Enterprise Fund</b>	<b>Total</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ 595,893	\$ (468,607)	\$ (161,402)	\$ (34,116)
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities				
Depreciation	748,156	158,283	-	906,439
Miscellaneous Revenue	35,753	-	-	35,753
Changes in Assets and Liabilities				
Accounts Receivable	(54,856)	7,236	63,325	15,705
Accounts Payable	49	148,697	(91,534)	57,212
Deposits Payables	838	-	-	838
Unearned Revenue - Other	-	(2,340)	-	(2,340)
Deferred Outflows of Resources - IMRF	(7,011)	(4,046)	-	(11,057)
Deferred Inflows of Resources - IMRF	(18,307)	(494)	-	(18,801)
Net Pension Liability - IMRF	161,494	13,136	-	174,630
Accrued Payroll	7,945	205	-	8,150
Compensated Absences	5,368	1,244	-	6,612
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 1,475,322</b>	<b>\$ (146,686)</b>	<b>\$ (189,611)</b>	<b>\$ 1,139,025</b>

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS

December 31, 2017

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	<b>Pension Trust Funds</b>	<b>Agency Funds</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 242,197	\$ 3,858
Investments, at Fair Value		
Certificates of Deposit	267,673	-
U.S. Treasury Obligations	1,246,775	-
U.S. Agency Obligations	1,296,706	-
Municipal Bonds	380,512	-
Corporate Bonds	2,432,698	-
Equities	9,984,608	-
Accrued Interest Receivable	37,504	-
	<hr/>	<hr/>
Total Assets	15,888,673	\$ 3,858
	<hr/>	<hr/>
<b>LIABILITIES</b>		
Accounts Payable	5,599	\$ -
Other Liabilities	-	3,858
	<hr/>	<hr/>
Total Liabilities	5,599	\$ 3,858
	<hr/>	<hr/>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<hr/> <b>\$ 15,883,074</b> <hr/>	

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS

For the Year Ended December 31, 2017

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	<u>Pension Trust Funds</u>
<b>ADDITIONS</b>	
Contributions	
Employer Contributions	\$ 1,044,098
Employee Contributions	240,997
	<hr/>
Total Contributions	1,285,095
	<hr/>
Investment Income	
Net Appreciation in Fair Value of Investments	1,827,225
Interest	282,806
	<hr/>
Total Investment Income	2,110,031
Less Investment Expense	(59,726)
	<hr/>
Net Investment Income	2,050,305
	<hr/>
Total Additions	3,335,400
	<hr/>
<b>DEDUCTIONS</b>	
Benefits and Refunds	1,494,101
Administrative Expenses	7,546
	<hr/>
Total Deductions	1,501,647
	<hr/>
NET INCREASE	1,833,753
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	
January 1	14,049,321
	<hr/>
December 31	\$ 15,883,074
	<hr/> <hr/>

See accompanying notes to financial statements.

# VILLAGE OF WESTERN SPRINGS, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

December 31, 2017

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Western Springs, Illinois (the Village) was incorporated in 1886. The Village operates under a council/manager form of government. The Village Board of Trustees is composed of the Village President and six trustees. The Village provides services to the community which includes: police, fire, water and sewer, community development, street maintenance and general services.

The financial statements of the Village have been prepared in accordance with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Government 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 more significant policies:

#### a. Reporting Entity

As defined by GAAP established by GASB, 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:

1. Appointment of a voting majority of the component unit's board and either (a) the ability to impose its 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
2. Fiscal dependency on the primary government.

Based on the criteria of GASB Statement No 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, there are no component units for which the Village is considered to be financially accountable.

Several other governmental entities have operations within the Village but are separate legal entities. These entities include the Thomas Ford Memorial Library, School Districts 101, 106 and 204 and the Western Springs Park District. The Village is not financially accountable for these entities, and they are, therefore, not included in the Village's reporting entity. In addition, the Village does not believe that it is a component unit of any other entity.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

b. Fund Accounting

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances/net position, revenues and expenditures/expenses, as appropriate. Governmental 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 three broad fund categories as follows:

**Governmental Funds**

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

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

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted, committed or assigned to expenditures for specified purposes.

**Debt Service Fund** - The Debt Service Fund is used to account for the accumulation of restricted resources for, and the payment of, general long-term debt principal, interest and related costs.

**Capital Projects Funds** - Capital Projects Funds are used to account for restricted, committed or assigned financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

b. Fund Accounting (Continued)

Proprietary Funds

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

Enterprise Funds - 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.

Fiduciary Funds

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

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. These include Pension Trust and Agency Funds. Pension Trust Funds are accounted for in essentially the same manner as proprietary funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

c. 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 material interfund activity other than interfund services provided has been eliminated 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 support.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

The Village reports the following major governmental funds:

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

The Playground and Recreation Fund, a special revenue fund, accounts for restricted resources (property taxes) and assigned resources (recreation fees and other revenues) for the playground and recreation activities provided by the Village and to fund the development of playground and recreation facilities.

The Capital Improvement Fund accounts for the restricted proceeds of the Series 2015B bonds which are being used for various improvements. The Village has elected to report this fund as major.

The Roadway Construction Fund accounts restricted resources for the roadway restoration and repair which are funded by Series 2009, Series 2012 GO Bond and Series 2015A GO Bond proceeds.

The Public Benefit Fund accounts for the resources assigned for the cost of the Village's portion of various special assessment and special service area projects.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

The Timber Trails Special Assessment Fund accounts for the restricted proceeds of the Series 2007 special assessment bonds which are being used for infrastructure improvements in the special assessment district. The Village has elected to report this fund as major.

The Special Purpose Reserve Fund is used to account for assigned funds which represent excess reserve funds from the General Fund. The proceeds are to be used for future capital projects.

The Debt Service Fund is used to account for the accumulation of restricted resources for, and the payment of, general long-term debt principal, interest and related costs.

The Village reports the following major proprietary funds:

The Waterworks and Sewerage Fund accounts for the activities of the water and sewerage operations.

The Burlington Northern Parking Fund accounts for the parking meter facilities of the Village.

In addition, the Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund. Furthermore, the Village reports the Seizure Fund as agency funds to account for assets held by the Village in an agent capacity.

d. 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 financial statements (except for the agency funds which do not have a measurement focus). Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred, or for pension fund deductions, when the pension is due and payable. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Village considers property taxes as available if they are collected within 60 days after the year end that they are intended to finance.

A 60-day availability period is used for revenue recognition for most other governmental fund revenues except for sales taxes and telecommunications taxes which use a 90-day availability period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Shared revenues remitted from the State of Illinois, such as the state motor fuel tax allotments, state income taxes, state sales taxes and state municipal telecommunications taxes are accrued applying the susceptible to accrual concept based upon the month they were owed to the state and/or allotted by the state.

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

Licenses and permits, charges for services (other than water and sewer) and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

The Village reports deferred/unavailable/unearned revenue on its financial statements. Deferred/unavailable/unearned revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Deferred/unavailable/unearned revenues also arise when resources are received by the government before it has a legal claim to them as when grant monies are received prior to the incurrences of qualifying expenditures. In

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability or deferred inflow for deferred/unavailable/unearned revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

f. Statement of Cash Flows

For purposes of the statement of cash flows, the Village considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

g. Unbilled Receivables

Estimated sales for water and sewer usage prior to December 31, 2017, which are unbilled at year end, are recognized as current year revenue and are included in accounts receivable.

h. Receivables and Payables

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

Long-term notes receivable, as reported in the fund financial statements, are offset by a nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

i. Prepaid Items/Expenses

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

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses. Prepaid items/expenses are recorded as expenditures/expenses when consumed rather than when purchased.

j. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and storm water), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$25,000 for furniture, equipment and vehicles and \$125,000 for buildings, building improvements and infrastructure and an estimated useful life in excess of one year, except for vehicles, which are all capitalized regardless of cost. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Assets	Years
Land Improvements	7-25
Building and Building Improvements	10-40
Water Distribution System	7-40
Sewer Distribution System	7-25
Vehicles, Equipment and Furniture	2-25
Infrastructure	30-50

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

k. Compensated Absences

The Village accrues a liability for vacation and sick leave benefits as these benefits are earned. At December 31, 2017, the liabilities for these accumulated unpaid benefits are accounted for in the Enterprise Funds at all levels and in the governmental activities column in the government-wide financial statements. In the governmental fund financial statements a liability has been accrued for amounts owed to employees who have retired or terminated employment by the end of the year.

Village policy states that a maximum of 60 accumulated unused sick days will be paid to eligible employees upon termination if the employee has 20 or more years of consecutive service and at least 120 days of unused sick time. The recorded liabilities for accumulated unpaid sick pay represent only the amount payable at current pay rates to employees who are eligible for sick days buy back. Individuals who are retiring with more than five years service but less than 20 years are entitled to up to 60 days if their usage was less than 20% of available sick time.

l. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums, discounts and accounting losses on advance 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.

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

m. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or are legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

m. Fund Balances/Net Position (Continued)

Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Finance Director by the fund balance and reserve policy. The Village's policy is to maintain fund balance in General Fund of four months (33%) of the General Fund expenditures. Any residual fund balance in the General Fund and any deficit fund balance of any other governmental fund are reported as unassigned.

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

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. None of the Village's restricted net position resulted from enabling legislation adopted by the Village. Net investment in capital assets is the book value of capital assets less any long-term debt outstanding that was issued to construct or acquire the capital assets.

n. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village has two items that qualify for reporting in this category. The first is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows are also reported for pension items.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

n. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has two items that qualify for reporting in this category. The first is unavailable property taxes, is reported only in the governmental funds balance sheet and as deferred property taxes on the statement of net position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available or earned. Deferred inflows are also reported for pension items.

o. Use of Estimates

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

**2. PROPERTY TAXES**

Property taxes are levied each calendar year on all taxable real property located in the Village. For governmental funds, property taxes which are intended to finance the current fiscal year and collected within 60 days subsequent to year end are recorded as revenue.

The County Assessor is responsible for assessment of all taxable real property within Cook County (the County) except for certain railroad property which is assessed directly by the state. Some portion of the County is reassessed each year on a repeating schedule established by the County Assessor. The County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the County Collector as the basis for issuing tax bills to all taxpayers in the County.

Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the units their respective share of the collections. Taxes levied in one year become due and payable in two installments on March 1 and August 1 during the following year. The first installment is an estimated bill, and is 55% of the prior year's tax

**2. PROPERTY TAXES (Continued)**

bill. The second installment is based on the current levy, assessment and equalization and any changes from the prior year will be reflected in the second installment bill. Taxes must be levied by the last Tuesday in December for the following levy year. The levy becomes an enforceable lien against the property as of January 1 of the levy year. The allowance for uncollectible taxes has been stated at 3% of the levy (except for debt service which is 5%) to reflect actual collection experience.

**3. CASH AND INVESTMENTS**

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

Cash and investments are held separately and in pools by several of the Village's funds. Interest earned on pooled cash and investments is credited to the various funds in proportion to the total account balance. The Village invests these funds pursuant to investment guidelines established by the Village. The deposits and investments of the Pension Trust Funds are held separately. The Village has adopted an investment policy, consistent with Illinois Compiled Statutes (ILCS) governing the investments of the respective entities.

In accordance with the investment policy the Village is allowed to invest in the following: securities issued or guaranteed by the United States Government; interest-bearing accounts of banks and savings and loan associations insured up to \$250,000 by the Federal Deposit Insurance Corporation; short-term obligations (less than 180 days) of United States corporations with assets over \$500 million rated in the highest classification by at least two rating agencies; insured accounts of an Illinois credit union chartered under United States Government or Illinois law; money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same types of obligations; Illinois Funds (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. Investments in Illinois Funds are valued at Illinois Funds' share price, which is the price the investment could be sold for; Illinois Metropolitan Investment Fund (IMET) (is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. Investments in IMET are valued at IMET's share price, which is the price the investment could be sold for) and repurchase agreements which meet instrument transaction requirements of Illinois law.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**3. CASH AND INVESTMENTS (Continued)**

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objective of the policy is legality, safety (preservation of capital and protection of investment principal), liquidity and yield.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village’s deposits may not be returned to it. The Village’s investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the fair value of the collateral at least 110% of the uninsured deposits and that the collateral be held by the Village, or by an independent third party acting as the Village’s agent, or in a single institution collateral pool. At December 31, 2017, the Village had no uncollateralized deposits.

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and matching maturities to cash flow needs to avoid selling a debt security before maturity. However, the investment policy does not strictly limit the maximum maturity lengths of investments.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government. IMET, Illinois Funds and the money market mutual funds are rated AAA to not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village’s investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village’s agent separate from where the investment was purchased. Illinois Funds, IMET and the money market mutual fund are not subject to custodial credit risk.

The Village’s investment policy, while requiring minimization of concentration of credit risk, does not contain any specific requirements for diversification of the portfolio, other than the limit of 10% of the portfolio in commercial paper as noted above.

In addition, the Village’s investment policy specifically prohibits the use of or the investment in derivatives, reverse repurchase agreement, financial forward or futures contracts and leveraged investments. Furthermore, the policy prohibits the lending of the Village’s securities by the custodian and/or the broker.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**3. CASH AND INVESTMENTS (Continued)**

The following table depicts the Village's investment in debt securities as of December 31, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Village IMET	\$ 1,879,286	\$ -	\$ 1,879,286	\$ -	\$ -

The Village has the following recurring fair value measurements as of December 31, 2017: the IMET 1 to 3 Year Fund, a mutual fund, is measured based on the net asset value of the shares in IMET, which is based on the fair value of the underlying investments in the mutual fund (Level 3 input).

**4. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2017 was as follows:

	Beginning Balances	Increases	Transfers	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>					
Capital Assets not Being Depreciated					
Land	\$ 1,471,915	\$ -	\$ -	\$ -	\$ 1,471,915
Land Right of Way	54,257,014	-	-	22,380	54,234,634
Total Capital Assets Not Being Depreciated	55,728,929	-	-	22,380	55,706,549
Capital Assets Being Depreciated					
Building	12,426,419	232,000	-	-	12,658,419
Motor Equipment	3,084,400	602,046	-	96,673	3,589,773
Office Furniture and Equipment	552,813	38,692	622,702	87,114	1,127,093
Infrastructure	30,893,881	1,007,165	-	-	31,901,046
Total Capital Assets Being Depreciated	46,957,513	1,879,903	622,702	183,787	49,276,331
Less Accumulated Depreciation for					
Buildings	6,176,450	324,884	-	-	6,501,334
Motor Equipment	2,007,395	191,621	-	80,712	2,118,304
Office Furniture and Equipment	486,986	20,947	603,086	87,114	1,023,905
Infrastructure	14,529,926	624,920	-	-	15,154,846
Total Accumulated Depreciation	23,200,757	1,162,372	603,086	167,826	24,798,389
Total Capital Assets Being Depreciated, Net	23,756,756	717,531	19,616	15,961	24,477,942
<b>GOVERNMENTAL ACTIVITIES</b>					
<b>CAPITAL ASSETS, NET</b>					
	\$ 79,485,685	\$ 717,531	\$ 19,616	\$ 38,341	\$ 80,184,491

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

	Beginning Balances	Increases	Transfers	Decreases	Ending Balances
<b>BUSINESS-TYPE ACTIVITIES</b>					
Capital Assets Not Being Depreciated					
Land	\$ 27,962	\$ -	\$ -	\$ -	\$ 27,962
Construction in Progress	-	399,122	-	-	399,122
Total Capital Assets Not Being Depreciated	27,962	399,122	-	-	427,084
Capital Assets Being Depreciated					
Land Improvements	2,794,441	-	-	-	2,794,441
Building and Building Improvements	2,601,044	110,540	-	-	2,711,584
Water Distribution System	16,500,997	-	-	-	16,500,997
Sewer Distribution System	6,750,844	125,000	-	-	6,875,844
Vehicles, Equipment and Furniture	2,212,429	111,080	(622,702)	71,990	1,628,817
Total Capital Assets Being Depreciated	30,859,755	346,620	(622,702)	71,990	30,511,683
Less Accumulated Depreciation for					
Land Improvements	1,387,455	69,401	-	-	1,456,856
Building and Building Improvements	1,080,269	103,907	-	-	1,184,176
Water Distribution System	5,701,128	491,279	-	7,362	6,185,045
Sewer Distribution System	5,239,195	146,889	-	-	5,386,084
Vehicles, Equipment and Furniture	1,653,180	94,963	(603,086)	34,070	1,110,987
Total Accumulated Depreciation	15,061,227	906,439	(603,086)	41,432	15,323,148
Total Capital Assets Being Depreciated, Net	15,798,528	(559,819)	(19,616)	30,558	15,188,535
<b>BUSINESS-TYPE ACTIVITIES</b>					
CAPITAL ASSETS, NET	\$ 15,826,490	\$ (160,697)	\$ (19,616)	\$ 30,558	\$ 15,615,619

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

**GOVERNMENTAL ACTIVITIES**

General Government	\$ 66,506
Public Safety	235,766
Municipal Services	714,625
Culture and Recreation	145,475

**TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES** \$ 1,162,372

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**5. LONG-TERM DEBT**

A summary of changes in long-term debt of the Village for the year ended December 31, 2017 is as follows:

a. Governmental Activities Bonds

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements/ Refundings	Ending Balances	Current Portion
\$3,250,000 General Obligation Bonds, dated May 15, 2009, due in annual installments of \$150,000 to \$415,000 plus interest at 2.25% to 4.10% through December 1, 2024.	General Debt Service	\$ 1,610,000	\$ -	\$ 175,000	\$ 1,435,000	\$ 185,000
\$3,250,000 General Obligation Bonds, dated February 15, 2012, due in annual installments of \$220,000 to \$300,000 plus interest at 2% to 3% through December 1, 2025.	General Debt Service	2,360,000	-	230,000	2,130,000	235,000
\$1,770,000 General Obligation Refunding Bonds (Utility Tax Alternate Revenue Source), Series 2012A, dated May 14, 2012, due in annual installments of \$45,000 to \$355,000 plus interest at 0.50% to 1.50% through December 1, 2017.	General Debt Service	355,000	-	355,000	-	-
\$3,000,000 General Obligation Bonds (Utility Tax Alternate Revenue Source), Series 2015A, due in annual installments of \$255,000 to \$335,000 plus interest at 2.20% to 2.45% through December 1, 2027.	General Debt Service	3,000,000	-	-	3,000,000	280,000
\$2,480,000 General Obligation Limited Refunding Bonds, Series 2015B, due in annual installments of \$45,000 to \$265,000 plus interest at 2.50% to 3.75% through December 1, 2027.	General Debt Service	2,435,000	-	205,000	2,230,000	210,000
\$4,500,000 General Obligation Bonds, Series 2017, due in annual installments of \$155,000 to \$360,000 plus interest at 3.00% to 3.75% through December 1, 2033.	General Debt Service	-	4,500,000	-	4,500,000	155,000
<b>TOTAL GOVERNMENTAL ACTIVITIES BONDS</b>		<b>\$ 9,760,000</b>	<b>\$ 4,500,000</b>	<b>\$ 965,000</b>	<b>\$ 13,295,000</b>	<b>\$ 1,065,000</b>

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**5. LONG-TERM DEBT (Continued)**

**b. Business-Type Activities Bonds**

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances	Current Portion
\$1,555,000 General Obligation Refunding Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 2012B, dated May 14, 2012, due in annual installments of \$185,000 to \$200,000 plus interest at 0.65% to 2.20% through December 1, 2020.	Waterworks and Sewerage	\$ 770,000	\$ -	\$ 185,000	\$ 585,000	\$ 195,000
<b>TOTAL BUSINESS-TYPE ACTIVITIES BONDS</b>		<b>\$ 770,000</b>	<b>\$ -</b>	<b>\$ 185,000</b>	<b>\$ 585,000</b>	<b>\$ 195,000</b>

**c. General Obligation Promissory Note**

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances	Current Portion
\$560,000 General Obligation Promissory Note dated November 1, 2012 due in annual installments of \$56,000 plus interest at 1.875% through November 1, 2022.	General Debt Service	\$ 336,000	\$ -	\$ 56,000	\$ 280,000	\$ 56,000
<b>TOTAL GENERAL OBLIGATION PROMISSORY NOTE</b>		<b>\$ 336,000</b>	<b>\$ -</b>	<b>\$ 56,000</b>	<b>\$ 280,000</b>	<b>\$ 56,000</b>

**d. Note Payable**

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances	Current Portion
\$350,000 Note Payable dated January 1, 2016 due in annual installments of \$35,000 plus interest at 2.21% through November 1, 2025.	General Debt Service	\$ 315,000	\$ -	\$ 35,000	\$ 280,000	\$ 35,000
<b>TOTAL NOTE PAYABLE</b>		<b>\$ 315,000</b>	<b>\$ -</b>	<b>\$ 35,000</b>	<b>\$ 280,000</b>	<b>\$ 35,000</b>

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**5. LONG-TERM DEBT (Continued)**

e. IEPA Loan

The Village, through the Illinois Environmental Protection Agency (IEPA), received a low interest loan for the removal and in-kind replacement of the Central Avenue sewer line.

The Village, through the IEPA, received a second low interest loan for the installation of a reverse osmosis system at the water treatment plant.

The IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances	Current Portion
IEPA Loan I	Waterworks and Sewerage	\$ 354,398	\$ -	\$ 46,834	\$ 307,564	\$ 23,869
IEPA Loan II	Waterworks and Sewerage	7,657,054	-	406,920	7,250,134	412,023
<b>TOTAL IEPA LOANS</b>		<b>\$ 8,011,452</b>	<b>\$ -</b>	<b>\$ 453,754</b>	<b>\$ 7,557,698</b>	<b>\$ 435,892</b>

f. Changes in Governmental Activities Long-Term Debt

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

	Beginning Balances	Additions	Retirements	Ending Balances	Current Portion
Bonds Payable	\$ 9,760,000	\$ 4,500,000	\$ 965,000	\$ 13,295,000	\$ 1,065,000
General Obligation Promissory Note	315,000	-	35,000	280,000	56,000
Note Payable	336,000	-	56,000	280,000	35,000
Net Other Postemployment Benefit(*)	130,998	10,179	-	141,177	-
Net Pension Liability - IMRF(*)	1,841,056	182,941	-	2,023,997	-
Net Pension Liability - Police Pension(*)	13,409,766	-	562,497	12,847,269	-
Net Pension Liability - Firefighters' Pension(*)	37,438	15	-	37,453	-
Compensated Absences(*)	537,589	630	65,417	472,802	47,280
Unamortized Bond Premium	260,496	88,864	52,661	296,699	-
<b>TOTAL GOVERNMENTAL ACTIVITIES LONG-TERM DEBT</b>	<b>\$ 26,628,343</b>	<b>\$ 4,782,629</b>	<b>\$ 1,736,575</b>	<b>\$ 29,674,397</b>	<b>\$ 1,203,280</b>

\*The compensated absences, net pension liability and net other postemployment benefit obligation liabilities have typically been liquidated in prior years by the General Fund.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**5. LONG-TERM DEBT (Continued)**

g. Changes in Business-Type Activities Long-Term Debt

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

	Beginning Balances	Additions	Retirements	Ending Balances	Current Portion
Bonds Payable	\$ 770,000	\$ -	\$ 185,000	\$ 585,000	\$ 195,000
IEPA Loans Payable	8,011,452	-	453,754	7,557,698	435,892
Compensated Absences - Water					
Waterworks and Sewerage	66,362	12,004	6,636	71,730	7,173
Compensated Absences -					
Burlington Northern Parking Meter	2,056	1,450	206	3,300	330
Net Pension Liability - IMRF - Water					
Waterworks and Sewerage	705,437	161,494	-	866,931	-
Net Pension Liability - IMRF -					
Burlington Northern Parking Meter	31,286	13,136	-	44,422	-
<b>TOTAL BUSINESS-TYPE ACTIVITIES LONG-TERM DEBT</b>	<b>\$ 9,586,593</b>	<b>\$ 188,084</b>	<b>\$ 645,596</b>	<b>\$ 9,129,081</b>	<b>\$ 638,395</b>

h. Debt Service to Maturity

The annual requirements to amortize all debt outstanding of the primary government as of December 31, 2017 are as follows:

Fiscal Year	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 1,065,000	\$ 466,226	\$ 1,531,226	\$ 195,000	\$ 11,613	\$ 206,613
2019	1,170,000	366,825	1,536,825	190,000	8,200	198,200
2020	1,200,000	333,518	1,533,518	200,000	4,400	204,400
2021	1,240,000	298,844	1,538,844	-	-	-
2022	1,280,000	262,640	1,542,640	-	-	-
2023	1,320,000	225,105	1,545,105	-	-	-
2024	1,370,000	184,860	1,554,860	-	-	-
2025	1,165,000	142,264	1,307,264	-	-	-
2026	780,000	107,764	887,764	-	-	-
2027	715,000	85,341	800,341	-	-	-
2028	305,000	64,056	369,056	-	-	-
2029	315,000	54,906	369,906	-	-	-
2030	325,000	45,456	370,456	-	-	-
2031	335,000	35,300	370,300	-	-	-
2032	350,000	24,413	374,413	-	-	-
2033	360,000	12,600	372,600	-	-	-
<b>TOTAL</b>	<b>\$ 13,295,000</b>	<b>\$ 2,710,118</b>	<b>\$ 16,005,118</b>	<b>\$ 585,000</b>	<b>\$ 24,213</b>	<b>\$ 609,213</b>

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**5. LONG-TERM DEBT (Continued)**

**h. Debt Service to Maturity (Continued)**

Fiscal Year	Promissory Notes			Note Payable		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 56,000	\$ 5,250	\$ 61,250	\$ 35,000	\$ 6,188	\$ 41,188
2019	56,000	4,200	60,200	35,000	5,415	40,415
2020	56,000	3,150	59,150	35,000	4,641	39,641
2021	56,000	2,100	58,100	35,000	3,868	38,868
2022	56,000	1,050	57,050	35,000	3,094	38,094
2023	-	-	-	35,000	2,321	37,321
2024	-	-	-	35,000	1,547	36,547
2025	-	-	-	35,000	774	35,774
<b>TOTAL</b>	<b>\$ 280,000</b>	<b>\$ 15,750</b>	<b>\$ 295,750</b>	<b>\$ 280,000</b>	<b>\$ 27,848</b>	<b>\$ 307,848</b>

Fiscal Year	IEPA Loan I			IEPA Loan II		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 23,869	\$ 3,952	\$ 27,821	\$ 412,023	\$ 89,343	\$ 501,366
2019	48,662	6,981	55,643	417,189	84,177	501,366
2020	49,921	5,721	55,642	422,420	78,946	501,366
2021	51,213	4,431	55,644	427,717	73,649	501,366
2022	52,537	3,106	55,643	433,080	68,286	501,366
2023	53,896	1,747	55,643	438,511	62,855	501,366
2024	27,466	353	27,819	444,009	57,357	501,366
2025	-	-	-	449,577	51,789	501,366
2026	-	-	-	455,214	46,152	501,366
2027	-	-	-	460,922	40,444	501,366
2028	-	-	-	466,702	34,664	501,366
2029	-	-	-	472,554	28,812	501,366
2030	-	-	-	478,479	22,887	501,366
2031	-	-	-	484,479	16,887	501,366
2032	-	-	-	490,553	10,813	501,366
2033	-	-	-	496,705	4,661	501,366
<b>TOTAL</b>	<b>\$ 307,564</b>	<b>\$ 26,291</b>	<b>\$ 333,855</b>	<b>\$ 7,250,134</b>	<b>\$ 771,722</b>	<b>\$ 8,021,856</b>

**i. Special Assessment Bonds**

The Village issued \$55,000,000 Special Assessment Bonds, Series 2006 and the Village is not obligated in any manner for the repayment of the bonds as defined by GASB Statement No. 6. These bonds are not an obligation of the Village and are secured by the levy of special assessments on the real property within the special assessment area. The Village is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the assessments and forwarding the collections to bondholders. At December 31, 2017, \$28,514,000 of the Special Assessment Bonds was outstanding.

**5. LONG-TERM DEBT (Continued)**

j. Pledged Revenues

The Village issued the Series 2012A General Obligation Refunding Bonds (Utility Tax Alternate Revenue Source), to advance refund a portion of the Village's General Obligation Bonds (Utility Tax Alternate Revenue Source), Series 2003B. The Village also issued the Series 2015A General Obligation Bonds (Utility Tax Alternate Revenue Source). The two issues are payable from a pledge of the Village's utility taxes on electricity and gas, and are being repaid by the General Fund. The remaining pledge of sales and use taxes is displayed in Note 5h, debt service requirements to maturity, with the pledge for the Series 2012A General Obligation Refunding Bonds (Utility Tax Alternate Revenue Source) expiring December 1, 2017, and the pledge for the Series 2015A General Obligation Bonds (Utility Tax Alternate Revenue Source) expiring December 1, 2027, when the bonds are paid off. During the current fiscal year, 66.6% of the pledged revenue of utility taxes of \$540,747 was used for the principal and interest payments.

The Village issued the Series 2012B General Obligation Refunding Bonds (Waterworks and Sewerage System Alternate Revenue Source), payable from a pledge of the Village's Waterworks and Sewerage Fund charges for services, to advance refund a portion of the Village's General Obligation Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 2003F, and are being repaid by the Waterworks and Sewerage Fund. The remaining pledge of Waterworks and Sewerage Fund charges for services is displayed in Note 5h, debt service requirements to maturity, with the pledge expiring December 1, 2020, when the bonds are paid off. During the current fiscal year, 4.6% of the pledged revenue of \$4,292,182 was used for the principal and interest payments.

**6. OTHER POSTEMPLOYMENT BENEFITS**

a. Plan Description

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

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

b. Benefits Provided

The Village provides pre and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans. The retirees pay the blended premium which results in an implicit subsidy to the Village as defined by GASB Statement No. 45. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both. In addition, the Village pays 100% of the health insurance premium for life of eligible disabled public safety employees, which results in an explicit subsidy to the Village.

c. Membership

At December 31, 2017, membership for the Village and the Thomas Ford Memorial Library consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	9
Terminated Employees Entitled to Benefits but not Yet Receiving Them	-
Active Employees - Vested	14
Active Employees - Nonvested	<u>57</u>
<b>TOTAL</b>	<b><u>80</u></b>
Participating Employers	<u>1</u>

d. Funding Policy

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

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

e. Annual OPEB Costs and Net OPEB Obligation

The Village and the Thomas Ford Memorial Library's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation were as follows:

Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2015	\$ 49,927	\$ 22,421	44.91%	\$ 112,969
2016	51,198	22,993	44.91%	141,174
2017	104,116	93,110	89.43%	152,179

The net OPEB obligation as of December 31, 2017 was calculated as follows:

Annual Required Contribution	\$ 103,880
Interest on Net OPEB Obligation	4,942
Adjustment to Annual Required Contribution	<u>(4,706)</u>
Annual OPEB Cost	104,116
Contributions Made	<u>(93,110)</u>
Increase in Net OPEB Obligation	11,005
Net OPEB Obligation, Beginning of Year	<u>141,174</u>
<b>NET OPEB OBLIGATION, END OF YEAR*</b>	<u><u>\$ 152,179</u></u>

\*The net OPEB obligation contains both the Village and the Thomas Ford Memorial Library portions. \$141,177 is the Village's portion.

Funded Status and Funding Progress: The funded status of the Plan as of December 31, 2017 was as follows:

Actuarial Accrued Liability (AAL)	\$ 1,300,915
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	1,300,915
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	\$ 4,684,156
UAAL as a Percentage of Covered Payroll	27.78%

**6. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

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

In the December 31, 2017 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 3.50%, projected salary increases of 3.5% and an initial healthcare cost trend rate of 6.70% (HMO) and 7.6% (PPO) with an ultimate healthcare inflation rate of 5%. Each rate includes a 3% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2017 was 30 years.

**7. RISK MANAGEMENT**

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

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**7. RISK MANAGEMENT**

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. The Village assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level, which is the same coverage as the prior year.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village is not aware of any additional amounts owed to IRMA for the current or prior claim years as of December 31, 2017.

In addition, the Village purchases third party indemnity insurance to cover its exposure for employee health.

**8. INDIVIDUAL FUND DISCLOSURES**

a. Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
Special Purpose Reserve	Roadway Grant	\$ 17,351
Special Purpose Reserve	General Fund	<u>86,669</u>
<b>TOTAL</b>		<u><u>\$ 104,020</u></u>

- The purpose of the \$17,351 due to the Special Purpose Reserve Fund from the Roadway Grant Fund is to eliminate negative cash balances; the amounts will be repaid within one year.
- The \$86,669 is a short-term loan to the General Fund from the Special Purpose Reserve Fund. It will be repaid within one year.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**8. INDIVIDUAL FUND DISCLOSURES (Continued)**

b. Transfers

Transfers between funds during the year were as follows:

	Transfers In	Transfers Out
General	\$ -	\$ 427,628
Playground and Recreation	-	62,300
Special Purpose Reserve	-	1,466,007
Debt Service	531,890	-
Capital Improvements	-	41,962
Waterworks and Sewerage	655,000	-
Burlington Northern Parking Meter	621,396	-
Nonmajor Enterprise Fund		
Emergency Telephone System	189,611	19,616
<b>TOTAL ALL FUNDS</b>	<b>\$ 1,997,897</b>	<b>\$ 2,017,513</b>

The transfers do not tie by the \$19,616 of assets transferred from the Emergency Telephone System as noted below.

The purposes of significant interfund transfers are as follows:

- \$531,890 transferred to the Debt Service Fund from the General Fund (\$427,628) is for the repayment of the 2012A GO Refunding Bonds and the 2015A GO Alternate Revenue Bonds; the Playground and Recreation Fund (\$62,300) is for the repayment of the promissory note dated 2012; and the Capital Improvement Fund (\$41,962) for the repayment of the fire truck note dated 2016.
- \$655,000 transferred to the Waterworks and Sewerage Fund from the Special Purpose Reserve Fund to fund the reestablishment of the Ridgewood detention basin and the Rose/Garden Avenue water main abandonment projects.
- \$621,396 transferred to the Burlington Northern Parking Meter Fund from the Special Purpose Reserve Fund is to fund the Village's portion of the East Platforms reconstruction and to reduce the deficit fund balance.
- \$189,611 transferred to the nonmajor enterprise fund (Emergency Telephone System) from the Special Purpose Reserve Fund to Cover the Village's cost allocation for the formation of the Lyons Township Area Communication Center.
- At the fiscal year end, the Emergency Telephone System Fund was closed. The transferred capital assets of \$19,616 for the purpose of the operation of Governmental Activities were reported on the Government-Wide Financial Statements.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**8. INDIVIDUAL FUND DISCLOSURES (Continued)**

b. Transfers (Continued)

None of the transfers will be repaid.

c. Advance

Advances from/to other funds at December 31, 2017 consist of the following:

	Advance From	Advance To
Special Purpose Reserve Fund	\$ 100,000	\$ -
Nonmajor Governmental Funds (TIF District Fund)	-	100,000
<b>TOTAL</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>

- The purpose of the \$100,000 advance to the TIF District Fund from the Special Purpose Reserve Fund is to eliminate negative cash balances; the amounts will not be repaid within one year.

d. Deficit Fund Balances

The following nonmajor governmental funds reported deficit fund balances at April 30, 2018:

Fund	Deficit Fund Balance
TIF District	\$ 40,205

**9. CONTINGENT LIABILITIES**

There are several pending lawsuits in which the Village is involved. Management believes that the potential claims against the Village resulting from such litigation will not materially affect the financial position of the Village.

**10. DEFINED BENEFIT PENSION PLANS**

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

a. Plan Descriptions

Illinois Municipal Retirement Fund

*Plan Administration*

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. The plan is treated as a cost-sharing plan by the Village and the Thomas Ford Memorial Library. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

*Plan Membership*

At December 31, 2016, IMRF membership for the Village and the Thomas Ford Memorial Library combined consisted of:

Inactive Employees or their Beneficiaries	
Currently Receiving Benefits	76
Inactive Employees Entitled to but not yet Receiving Benefits	56
Active Employees	60
 TOTAL	 192

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Benefits Provided*

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

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

IMRF also provides death and disability benefits. These benefit provisions and all are established by state statute.

*Contributions*

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2017 was 11.79% of covered payroll.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions*

The Village's net pension liability was measured as of December 31, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2016
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.75%
Salary Increases	3.75% to 14.50%
Interest Rate	7.50%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market Value

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

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Discount Rate*

The discount rate used to measure the total pension liability at December 31, 2016 was 7.50%. The discount rate used to measure the total pension liability at December 31, 2015 was 7.48%.

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2016	\$ 23,455,303	\$ 20,447,041	\$ 3,008,262
Changes for the Period			
Service Cost	379,079	-	379,079
Interest	1,731,559	-	1,731,559
Difference between Expected and Actual Experience	831,767	-	831,767
Changes in Assumptions	(60,265)	-	(60,265)
Employer Contributions	-	524,568	(524,568)
Employee Contributions	-	177,557	(177,557)
Net Investment Income	-	1,367,540	(1,367,540)
Benefit Payments and Refunds	-	-	-
Administrative Expense	(991,310)	(991,310)	-
Other (Net Transfer)	-	350,236	(350,236)
Net Changes	1,890,830	1,428,591	462,239
BALANCES AT DECEMBER 31, 2016	\$ 25,346,133	\$ 21,875,632	\$ 3,470,501

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Changes in the Net Pension Liability (Continued)*

The table presented above includes amounts for both the Village and the Thomas Ford Memorial Library. The Village's proportionate share of the net pension liability at January 1, 2016, the employer contributions and the net pension liability at December 31, 2016 was \$2,577,779, \$450,423 and \$2,935,350, respectively. The Thomas Ford Memorial Library's proportionate share of the net pension liability at January 1, 2016, the employer contributions and the net pension liability at December 31, 2016 was \$430,483, \$74,145 and \$535,151, respectively.

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended December 31, 2017, the Village recognized pension expense of \$754,253.

At December 31, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 485,254	\$ 122,361
Changes in Assumption	56,236	34,005
Net Difference between Projected and Actual		
Earning on Pension Plan Investments	936,830	-
Contributions Made Subsequent to the Measurement Date	356,245	-
	<hr/>	<hr/>
TOTAL	\$ 1,834,565	\$ 156,366

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

\$356,245 reported as deferred outflows of resources related to pensions resulting from village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending</u> <u>December 31,</u>		
2018	\$	496,661
2019		524,319
2020		272,506
2021		<u>28,468</u>
 TOTAL	 \$	 <u>1,321,954</u>

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7.50% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability (Village)	\$ 5,681,760	\$ 2,935,350	\$ 668,585
Net Pension Liability (Library)	<u>1,035,856</u>	<u>535,151</u>	<u>121,892</u>
Net Pension Liability (Total)	<u>\$ 6,717,616</u>	<u>\$ 3,470,501</u>	<u>\$ 790,477</u>

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan

*Plan Administration*

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

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

The plan is governed by a five-member Board of Trustees. Two members of the board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

*Plan Membership*

At December 31, 2017, the measurement date, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	25
Employees	
Vested	17
Nonvested	4
	<hr/>
TOTAL	<hr/> <hr/> 46

*Benefits Provided*

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary.

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Benefits Provided* (Continued)

Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive 2.50% of salary for each year of service. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period.

Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later.

*Contributions*

Employees are required by ILCS 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. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2017, the Village's contribution was 59.21% of covered payroll.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Investment Policy*

ILCS limit the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities and real estate investment trusts. During the year, the following changes to the investment policy were approved by the Board of Trustees: allowing investments in real estate investment trusts and the global tactical asset allocation mutual fund. In addition, target allocations across asset classes were adjusted.

The Fund's investment policy, in accordance with ILCS, establishes the following target allocation across asset classes:

Asset Class	Allocation Range	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	22%-38%	7.50%
U.S. Small/Mid Cap Equity	10%-20%	7.50%
International Equity	14%-26%	8.50%
Real Estate	0%-7%	4.50%
U.S. Fixed Income	35%-55%	2.50%

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Investment Policy* (Continued)

ILCS limits the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation of 2.50%) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of December 31, 2017 are listed in the table above.

*Investment Valuations*

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at December 31 for debt securities, equity securities and mutual funds and contract values for insurance contracts. Illinois Funds, an investment pool created by the state legislature under the control of the State Treasurer, is a money market mutual fund that maintains a \$1 per share value.

*Investment Concentrations*

There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments, except for five mutual funds that represented 16%, 15%, 15%, 10% and 9% of the Fund's investments.

*Investment Rate of Return*

For the year ended December 31, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.06%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Deposits with Financial Institutions*

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

*Interest Rate Risk*

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Agency Obligations	\$ 1,296,706	\$ 49,785	\$ 73,906	\$ 73,190	\$ 1,099,825
U.S. Treasury Obligations	1,246,775	201,877	730,665	292,728	21,505
Municipal Bonds	380,512	90,000	118,898	55,567	116,047
Corporate Bonds	2,432,698	173,197	1,694,759	470,975	93,767
<b>TOTAL</b>	<b>\$ 5,356,691</b>	<b>\$ 514,859</b>	<b>\$ 2,618,228</b>	<b>\$ 892,460</b>	<b>\$ 1,331,144</b>

The Fund has the following recurring fair value measurements as of December 31, 2017, the U.S. Treasury obligations and equities are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. agency obligations, municipal bonds and the corporate bonds are valued using quoted matrix pricing models (Level 2 inputs).

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Credit Risk*

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations and other obligations which are rated in the top three classes by a national rating agency. The U.S. agency obligations range from AA+ to not rated. The municipal bonds range from AAA to not rated and corporate bonds range from AA+ to BBB-.

*Custodial Credit Risk*

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party.

To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

*Discount Rate*

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2017	\$ 27,180,021	\$ 13,770,255	\$ 13,409,766
Changes for the Period			
Service Cost	406,023	-	406,023
Interest	1,784,939	-	1,784,939
Difference between Expected and Actual Experience	559,494	-	559,494
Changes in Assumptions	-	-	-
Employer Contributions	-	1,031,743	(1,031,743)
Employee Contributions	-	240,997	(240,997)
Net Investment Income	-	2,047,701	(2,047,701)
Benefit Payments and Refunds	(1,472,953)	(1,472,953)	-
Administrative Expense	-	(7,488)	7,488
Net Changes	1,277,503	1,840,000	(562,497)
BALANCES AT DECEMBER 31, 2017	\$ 28,457,524	\$ 15,610,255	\$ 12,847,269

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates and retirement rates.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2017
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	3.50% to 4.85%
Interest Rate	6.75%
Cost of Living Adjustments	3.00% (Tier 1) 1.33% (Tier 2)
Asset Valuation Method	Market

Mortality rates were based on the actuary's 2016 Illinois Police Mortality Rates Table.

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net 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 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 16,620,961	\$ 12,847,269	\$ 9,747,061

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended December 31, 2017, the Village recognized pension expense of \$1,677,121. At December 31, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 939,001	\$ -
Changes in Assumptions	970,571	357,095
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	332,614
<b>TOTAL</b>	<b>\$ 1,909,572</b>	<b>\$ 689,709</b>

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

Year Ending  
December 31,

2018	\$ 642,150
2019	642,147
2020	(43,052)
2021	(136,831)
2022	88,809
2023	26,640
<b>TOTAL</b>	<b>\$ 1,219,863</b>

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

*Plan Administration*

Firefighter sworn personnel are covered by the Firefighters' Pension Plan, a single-employer defined benefit pension plan sponsored by the Village. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

The plan is governed by a five-member Board of Trustees. Two members of the board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active firefighter employees.

*Plan Membership*

At December 31, 2017, the measurement date, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not Yet Receiving Them	1
Employees	
Vested	-
Nonvested	-
	<hr/>
TOTAL	<u><u>1</u></u>

*Benefits Provided*

The following is a summary of benefits of the plan as provided for in ILCS:

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement.

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Benefits Provided (Continued)*

The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period.

Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1<sup>st</sup> after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

*Contributions*

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with fewer than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Contributions (Continued)*

Firefighters' Pension Plan. The costs of administering the Firefighters' Pension Plan are financed through investment earnings. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2017, the Village's contribution was 0% of covered payroll (there was no covered payroll).

*Investment Policy*

Permitted Deposits and Investments - Statutes and the Firefighter's Pension Fund's (the Fund) investment policy authorize the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities. During the year, the following changes to the investment policy were approved by the Board of Trustees: allowing investments in real estate investment trusts and the global tactical asset allocation mutual fund. In addition, target allocations across asset classes were adjusted.

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

Asset Class	Target	Long-Term Expected Real Rate of Return
U.S. Cash	0%-100%	0.50%

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Investment Policy (Continued)*

ILCS limits the Fund's investments in equities, mutual funds and variable annuities to 10%. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The long-term expected rates of return are the best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation of 2.50%) for each major assets class. Best estimates or geometric real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of December 31, 2017 are listed in the table above.

*Concentrations*

The Fund had investments in one certificates of deposit and one money market account at December 31, 2017 that individually represent 5% or more of the Fund's investments.

*Rate of Return*

For the year ended December 31, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 0.00%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Deposits with Financial Institutions*

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

*Interest Rate Risk*

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Credit Risk*

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in certificates of deposit held at separate banks within FDIC limits.

*Custodial Credit Risk*

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name.

*Discount Rate*

The discount rate used to measure the total pension liability was 4%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2017	\$ 316,504	\$ 279,066	\$ 37,438
Changes for the Period			
Service Cost	-	-	-
Interest	12,237	-	12,237
Difference between Expected and Actual Experience	2,679	-	2,679
Changes in Assumptions	-	-	-
Employer Contributions	-	12,355	(12,355)
Employee Contributions	-	-	-
Net Investment Income	-	2,604	(2,604)
Benefit Payments and Refunds	(21,148)	(21,148)	-
Administrative Expense	-	(58)	58
Net Changes	(6,232)	(6,247)	15
BALANCES AT DECEMBER 31, 2017	\$ 310,272	\$ 272,819	\$ 37,453

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates and retirement rates.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2017
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	0.00%
Interest Rate	4.00%
Cost of Living Adjustments	3.00% (Tier 1) 1.33% (Tier 2)
Asset Valuation Method	Market

Spouse mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 Study. These rates are improved generationally using MP-2016 improvement rates.

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 4% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (3%) or 1 percentage point higher (5%) than the current rate:

	1% Decrease (3%)	Current Discount Rate (4%)	1% Increase (5%)
Net Pension Liability	\$ 73,209	\$ 37,453	\$ 7,502

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended December 31, 2017, the Village recognized pension expense of \$9,777. At December 31, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ -	\$ -
Changes in Assumption	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	16,991	-
<b>TOTAL</b>	<b>\$ 16,991</b>	<b>\$ -</b>

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the firefighters' pension will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2018	\$ 5,789
2019	5,786
2020	3,742
2021	1,674
2022	-
<b>TOTAL</b>	<b>\$ 16,991</b>

**11. SUBSEQUENT EVENT**

In May 2018, the Village issued \$1,000,000 General Obligation Promissory Note, Series 2018 for the purpose of paying the costs of purchasing rolling stock for the Village. Principal and interest payments are due beginning November 1, 2018 through November 1, 2027 with interest at 2.95%.

In June 2018, the Village issued \$1,925,000 General Obligation Bonds, Series 2018 for the purpose of renovating the interior of the Thomas Ford Memorial Library building and furnishing equipment. Principal and interest payments are due beginning December 1, 2019 through December 1, 2028 with interest at 4%.

**REQUIRED SUPPLEMENTARY INFORMATION**

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

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

For the Year Ended December 31, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Taxes	\$ 6,937,355	\$ 6,937,355	\$ 6,851,092
Licenses and Permits	1,715,025	1,715,025	1,567,589
Intergovernmental	1,460,714	1,460,714	1,348,461
Charges for Services	870,595	870,595	899,067
Fines and Forfeits	300,000	300,000	318,653
Investment Income	12,400	12,400	34,776
Miscellaneous	25,060	25,060	120,668
<b>Total Revenues</b>	<b>11,321,149</b>	<b>11,321,149</b>	<b>11,140,306</b>
<b>EXPENDITURES</b>			
General Government	2,377,891	2,498,391	2,380,379
Public Safety	6,783,821	6,796,362	6,544,495
Municipal Services	1,692,669	1,705,202	1,542,859
<b>Total Expenditures</b>	<b>10,854,381</b>	<b>10,999,955</b>	<b>10,467,733</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>466,768</b>	<b>321,194</b>	<b>672,573</b>
<b>OTHER FINANCIAL SOURCES (USES)</b>			
Transfers In	-	-	-
Transfers (Out)	(360,325)	(427,628)	(427,628)
<b>Total Other Financing Sources (Uses)</b>	<b>(360,325)</b>	<b>(427,628)</b>	<b>(427,628)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 106,443</b>	<b>\$ (106,434)</b>	<b>244,945</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>3,680,144</b>
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 3,925,089</b>

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

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

For the Year Ended December 31, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Property Taxes	\$ 352,070	\$ 352,070	\$ 359,145
Charges for Services	1,238,950	1,238,950	1,145,838
Investment Income	1,500	1,500	5,655
Miscellaneous			
Rentals	219,600	219,600	225,154
Other	8,000	8,000	8,795
<b>Total Revenues</b>	<b>1,820,120</b>	<b>1,820,120</b>	<b>1,744,587</b>
<b>EXPENDITURES</b>			
Current			
General Government			
Legal Services	2,500	2,500	431
Municipal Services			
Municipal Properties	53,000	59,000	56,949
Culture and Recreation			
Personnel Services	567,767	569,017	539,971
Other Personnel Benefits	112,089	112,089	105,220
Contractual Services	609,607	605,357	528,896
Commodities	181,545	180,545	205,960
Capital Outlay			
Building Improvements	257,500	280,500	250,907
Other Capital Outlay	29,000	29,000	29,000
<b>Total Expenditures</b>	<b>1,813,008</b>	<b>1,838,008</b>	<b>1,717,334</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>7,112</b>	<b>(17,888)</b>	<b>27,253</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (Out)	(62,300)	(62,300)	(62,300)
<b>Total Other Financing Sources (Uses)</b>	<b>(62,300)</b>	<b>(62,300)</b>	<b>(62,300)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (55,188)</b>	<b>\$ (80,188)</b>	<b>(35,047)</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>538,105</b>
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 503,058</b>

(See independent auditor's report.)

# VILLAGE OF WESTERN SPRINGS, ILLINOIS

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2017

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### 1. BUDGETS AND BUDGETARY ACCOUNTING

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. On the fourth Monday of October, the Village Manager submits to the President and Board of Trustees a proposed operating budget for the fiscal year, commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Between the fourth Monday in October and the fourth Monday in November, a series of workshops are held for the purpose of reviewing the proposed budget. Public notice is given relative to the purpose, time and place, and village residents are invited to attend and participate in the decision-making process.
- c. A public meeting is held on the fourth Monday in November to obtain taxpayer comments.
- d. On the fourth Monday of December, the President and Board of Trustees legally enact the budget through passage of an ordinance.
- e. The Village Manager (Budget Director) is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the President and Board of Trustees. All appropriations lapse at year end.
- f. Formal budgetary integration is employed as a management control device during the year for all governmental funds of the Village.
- g. Budgets are adopted on a basis consistent with GAAP. Budgetary financial schedules compare the original approved budget and the final amended budget amounts with actual results of operations for all budgeted major governmental funds.

Annual budgets which serve as appropriations are adopted for the general, special revenue, debt service, capital projects (except the Timber Trails Special Assessment Fund), enterprise and pension trust funds. The level of control (level at which expenditures may not exceed budget, exclusive of depreciation) is established at the fund level.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)

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**2. INDIVIDUAL FUND DISCLOSURES**

The following funds had expenditures in excess of budget:

<u>Fund</u>	<u>Excess</u>
Debt Service	\$ 1,249
Special Purpose Reserve	7,392
Capital Improvement	254,453

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Three Fiscal Years

<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Actuarially Determined Contribution	\$ 376,238	\$ 450,423	\$ 356,249
Contributions in Relation to the Actuarially Determined Contribution	376,238	450,423	356,249
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered-Employee Payroll	\$ 3,026,855	\$ 3,472,806	\$ 3,021,620
Contributions as a Percentage of Covered-Employee Payroll	12.43%	12.97%	11.79%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 27 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND**

Last Seven Fiscal Years

<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Actuarially Determined Contribution	\$ 658,462	\$ 680,813	\$ 702,760	\$ 782,813	\$ 858,424	\$ 902,524	\$ 1,027,880
Contribution in Relation to the Actuarially Determined Contribution	682,051	668,255	706,581	792,475	866,366	914,178	1,031,743
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ (23,589)</b>	<b>\$ 12,558</b>	<b>\$ (3,821)</b>	<b>\$ (9,662)</b>	<b>\$ (7,942)</b>	<b>\$ (11,654)</b>	<b>\$ (3,863)</b>
Covered-Employee Payroll	\$ 1,660,674	\$ 1,681,432	\$ 1,646,755	\$ 1,616,547	\$ 1,668,180	\$ 1,683,501	\$ 1,742,424
Contributions as a Percentage of Covered-Employee Payroll	41.07%	39.74%	42.91%	49.02%	51.93%	54.30%	59.21%

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was market; and the significant actuarial assumptions were an investment rate of return at 6.75% annually, projected salary increases assumption of 3.50% to 4.85% compounded annually and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
FIREFIGHTERS' PENSION FUND**

Last Seven Fiscal Years

<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Actuarially Determined Contribution	\$ 300	\$ -	\$ -	\$ -	\$ -	\$ 1,679	\$ 3,473
Contribution in Relation to the Actuarially Determined Contribution	3,006	5,958	5,765	5,644	11,742	11,692	12,355
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ (2,706)</b>	<b>\$ (5,958)</b>	<b>\$ (5,765)</b>	<b>\$ (5,644)</b>	<b>\$ (11,742)</b>	<b>\$ (10,013)</b>	<b>\$ (8,882)</b>
Covered-Employee Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was market; and the significant actuarial assumptions were an investment rate of return at 4.00% annually, projected salary increases assumption of 0.00% compounded annually and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**SCHEDULE OF THE VILLAGE'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Three Fiscal Years

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<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Employer's Proportion of Net Pension Liability	85.69%	85.69%	84.58%
Employer's Proportionate Share of Net Pension Liability	\$ 1,655,157	\$ 2,577,779	\$ 2,935,350
Employer's Covered-Employee Payroll	2,953,517	3,027,099	3,187,414
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	56.04%	85.16%	92.09%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.14%	87.17%	86.31%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
POLICE PENSION FUND

Last Four Fiscal Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>TOTAL PENSION LIABILITY</b>				
Service Cost	\$ 361,067	\$ 348,591	\$ 393,740	\$ 406,023
Interest	1,475,258	1,516,304	1,735,345	1,784,939
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	-	282,683	552,240	559,494
Changes of Assumptions*	-	2,384,030	(558,277)	-
Benefit Payments, Including Refunds of Member Contributions	(1,187,037)	(1,269,432)	(1,303,684)	(1,472,953)
Net Change in Total Pension Liability	649,288	3,262,176	819,364	1,277,503
Total Pension Liability - Beginning	22,449,193	23,098,481	26,360,657	27,180,021
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 23,098,481</b>	<b>\$ 26,360,657</b>	<b>\$ 27,180,021</b>	<b>\$ 28,457,524</b>
<b>PLAN FIDUCIARY NET POSITION</b>				
Contributions - Employer	\$ 792,475	\$ 866,366	\$ 914,178	\$ 1,031,743
Contributions - Member	165,553	243,375	189,425	240,997
Net Investment Income	417,115	(36,617)	583,789	2,047,701
Benefit Payments, Including Refunds of Member Contributions	(1,187,037)	(1,269,432)	(1,303,684)	(1,472,953)
Administrative Expense	(6,314)	(11,769)	(7,333)	(7,488)
Net Change in Plan Fiduciary Net Position	181,792	(208,077)	376,375	1,840,000
Plan Net Position - Beginning	13,420,165	13,601,957	13,393,880	13,770,255
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 13,601,957</b>	<b>\$ 13,393,880</b>	<b>\$ 13,770,255</b>	<b>\$ 15,610,255</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 9,496,524</b>	<b>\$ 12,966,777</b>	<b>\$ 13,409,766</b>	<b>\$ 12,847,269</b>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.90%	50.80%	50.70%	54.90%
Covered-Employee Payroll	\$ 1,584,850	\$ 1,668,180	\$ 1,683,501	\$ 1,742,424
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	599.20%	777.30%	796.50%	737.30%

\*There was a change with respect to actuarial assumptions in 2016 to reflect revised expectations with respect to mortality rates, disability rates, turnover rates and retirement rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
FIREFIGHTERS' PENSION FUND**

Last Four Fiscal Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>TOTAL PENSION LIABILITY</b>				
Service Cost	\$ -	\$ -	\$ -	\$ -
Interest	12,821	12,487	13,256	12,237
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	-	1,364	1,619	2,679
Changes of Assumptions*	-	26,515	(19,200)	-
Benefit Payments, Including Refunds of Member Contributions	(21,148)	(21,148)	(21,148)	(21,148)
Net Change in Total Pension Liability	(8,327)	19,218	(25,473)	(6,232)
Total Pension Liability - Beginning	331,086	322,759	341,977	316,504
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 322,759</b>	<b>\$ 341,977</b>	<b>\$ 316,504</b>	<b>\$ 310,272</b>
<b>PLAN FIDUCIARY NET POSITION</b>				
Contributions - Employer	\$ 5,644	\$ 11,742	\$ 11,692	\$ 12,355
Contributions - Member	-	-	-	-
Net Investment Income	1,821	1,432	976	2,604
Benefit Payments, Including Refunds of Member Contributions	(21,148)	(21,148)	(21,148)	(21,148)
Administrative Expense	(815)	(222)	(173)	(58)
Net Change in Plan Fiduciary Net Position	(14,498)	(8,196)	(8,653)	(6,247)
Plan Net Position - Beginning	310,413	295,915	287,719	279,066
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 295,915</b>	<b>\$ 287,719</b>	<b>\$ 279,066</b>	<b>\$ 272,819</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>				
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.70%	84.10%	88.20%	87.90%
Covered-Employee Payroll	\$ -	\$ -	\$ -	\$ -
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%

\*There was a change with respect to actuarial assumptions in 2016 to reflect revised expectations with respect to mortality rates, disability rates, turnover rates and retirement rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**SCHEDULE OF INVESTMENT RETURNS  
POLICE PENSION FUND**

Last Four Fiscal Years

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<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Annual Money-Weighted Rate of Return, Net of Investment Expense	3.36%	0.22%	4.77%	15.06%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**SCHEDULE OF INVESTMENT RETURNS  
FIREFIGHTERS' PENSION FUND**

Last Four Fiscal Years

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<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Annual Money-Weighted Rate of Return, Net of Investment Expense	0.50%	0.00%	0.00%	0.00%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT BENEFITS PLAN

Last Six Fiscal Years

<b>Actuarial Valuation December 31,</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Accrued Liability (AAL) Entry-Age Normal</b>	<b>(3) Funded Ratio (1) / (2)</b>	<b>(4) Unfunded AAL (UAAL) (2) - (1)</b>	<b>(5) Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll (4) / (5)</b>
2012	\$ -	\$ 784,279	0.00%	\$ 784,279	\$ 5,786,941	13.55%
2013	N/A	N/A	N/A	N/A	N/A	N/A
2014	-	676,234	0.00%	676,234	3,898,542	17.35%
2015	N/A	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A	N/A
2017	-	1,300,915	0.00%	1,300,915	4,684,156	27.77%

N/A - Not available

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFITS PLAN**

Last Six Fiscal Years

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<b><u>Year Ended December 31,</u></b>	<b><u>Employer Contributions</u></b>	<b><u>Annual Required Contribution (ARC)</u></b>	<b><u>Percentage Contributed</u></b>
2012	\$ 39,965	\$ 47,868	83.49%
2013	31,792	56,312	56.46%
2014	21,755	49,837	43.65%
2015	22,421	51,581	43.47%
2016	22,993	53,387	43.07%
2017	93,110	103,880	89.63%

(See independent auditor's report.)

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

**MAJOR GOVERNMENTAL FUNDS**

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND**

For the Year Ended December 31, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>TAXES</b>			
Property Taxes	\$ 4,562,355	\$ 4,562,355	\$ 4,476,698
Property Taxes - Road and Bridge	140,000	140,000	137,447
Property Taxes - Prior	-	-	20,943
Sales Tax	980,000	980,000	1,001,536
Electric Utility Tax	370,000	370,000	386,391
Telecommunication Tax	365,000	365,000	308,103
Gas Utility Tax	185,000	185,000	184,356
Local Use Tax	335,000	335,000	335,618
<b>Total Taxes</b>	<b>6,937,355</b>	<b>6,937,355</b>	<b>6,851,092</b>
<b>LICENSES AND PERMITS</b>			
Business	65,000	65,000	105,530
Alarm Permits	325	325	325
Franchise Fees	270,000	270,000	279,670
Building Permits	530,000	530,000	616,642
Building Permits - Timber Trails	440,000	440,000	115,807
Motor Vehicle Licenses	375,000	375,000	413,549
Animal Licenses	16,000	16,000	15,089
Liquor Licenses	15,500	15,500	18,077
False Alarm	3,200	3,200	2,900
<b>Total Licenses and Permits</b>	<b>1,715,025</b>	<b>1,715,025</b>	<b>1,567,589</b>
<b>INTERGOVERNMENTAL</b>			
Replacement Taxes	31,500	31,500	30,808
Income Tax	1,329,900	1,329,900	1,191,568
Foreign Fire Insurance	19,678	19,678	21,413
Law Enforcement Training	1,500	1,500	9,615
Fire/EMS Training	20,000	20,000	10,000
IDOT State Route Maintenance	15,000	15,000	15,834
Park District Administrative Fees	11,936	11,936	12,664
Public Safety Grants/Fiber Reimbursement	31,200	31,200	56,559
<b>Total Intergovernmental</b>	<b>1,460,714</b>	<b>1,460,714</b>	<b>1,348,461</b>

(This schedule is continued on the following page.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended December 31, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>CHARGES FOR SERVICES</b>			
Refuse Fees	\$ 138,000	\$ 138,000	\$ 141,010
Ambulance Fees	200,000	200,000	235,084
Police Contractual Services	94,200	94,200	99,000
Variation Fees/Tree Removal	-	-	14,750
Report Fees	1,000	1,000	1,212
Plan Review Fees	150,000	150,000	148,740
Rental of Village Property	287,395	287,395	259,271
<b>Total Charges for Services</b>	<b>870,595</b>	<b>870,595</b>	<b>899,067</b>
<b>FINES AND FORFEITS</b>			
Court Fines - 5th District	20,000	20,000	17,195
Court Fines - Parking	115,000	115,000	136,906
Photo Enforcement Fine	165,000	165,000	164,552
<b>Total Fines and Forfeits</b>	<b>300,000</b>	<b>300,000</b>	<b>318,653</b>
<b>INVESTMENT INCOME</b>	<b>12,400</b>	<b>12,400</b>	<b>34,776</b>
<b>MISCELLANEOUS</b>			
Tree Replacement Program	10,000	10,000	11,120
Sidewalk/Apron Replacement	5,000	5,000	1,796
LES Reimbursements	3,500	3,500	-
Miscellaneous	6,560	6,560	107,752
<b>Total Miscellaneous</b>	<b>25,060</b>	<b>25,060</b>	<b>120,668</b>
<b>TOTAL REVENUES</b>	<b>\$ 11,321,149</b>	<b>\$ 11,321,149</b>	<b>\$ 11,140,306</b>

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

For the Year Ended December 31, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>GENERAL GOVERNMENT</b>			
General Administration and Finance			
Board of Trustees	\$ 145,152	\$ 145,152	\$ 116,103
Administrative	988,422	1,108,922	998,535
Legal Services	230,000	230,000	244,034
Management Services	404,564	404,564	467,886
Financial Management and Administration	455,579	455,579	447,402
Communications	154,174	154,174	106,419
<b>Total General Government</b>	<b>2,377,891</b>	<b>2,498,391</b>	<b>2,380,379</b>
<b>PUBLIC SAFETY</b>			
Police Administration	1,585,373	1,585,373	1,558,259
Patrol Services	1,605,747	1,605,747	1,608,584
Criminal Investigation	400,190	400,190	320,136
Crime Prevention/Youth Investigation	139,710	139,710	121,810
Communications Information Management	427,832	440,373	476,758
Parking Enforcement/Ordinance Control	166,850	166,850	161,199
Fire Services Administration	601,657	605,157	583,271
Fire Suppression and Emergency Medical	345,547	347,547	280,107
Emergency Medical Services	645,058	643,058	627,195
Emergency Medical Services Training/ Public Education	147,120	143,620	91,244
Fire Prevention	64,086	64,086	60,920
Emergency Services and Disaster Agency	646,291	646,291	653,574
Code Enforcement	8,360	8,360	1,438
<b>Total Public Safety</b>	<b>6,783,821</b>	<b>6,796,362</b>	<b>6,544,495</b>
<b>MUNICIPAL SERVICES</b>			
Administration	158,616	158,616	152,597
Public Right of Way Maintenance	539,949	552,482	432,362
Vehicle and Equipment Maintenance	286,633	286,633	285,644
Municipal Properties	223,470	223,470	168,903
Forestry	484,001	484,001	503,353
<b>Total Municipal Services</b>	<b>1,692,669</b>	<b>1,705,202</b>	<b>1,542,859</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 10,854,381</b>	<b>\$ 10,999,955</b>	<b>\$ 10,467,733</b>

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

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

For the Year Ended December 31, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Property Taxes	\$ 207,700	\$ 207,700	\$ 210,826
Intergovernmental	-	-	12,897
Investment Income	3,000	3,000	5,925
Miscellaneous	-	-	21,025
Total Revenues	210,700	210,700	250,673
<b>EXPENDITURES</b>			
Current			
General Administration			
Contractual Services	25,000	25,000	32,241
Capital Outlay	701,210	701,210	948,422
Total Expenditures	726,210	726,210	980,663
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	(515,510)	(515,510)	(729,990)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (Out)	(41,962)	(41,962)	(41,962)
Sale of Capital Assets	15,000	15,000	156,669
Total Other Financing Sources (Uses)	(26,962)	(26,962)	114,707
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (542,472)</b>	<b>\$ (542,472)</b>	<b>(615,283)</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>1,647,891</b>
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 1,032,608</b>

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

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

For the Year Ended December 31, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Property Taxes	\$ 4,281	\$ 4,281	\$ 4,254
Investment Income	4,600	4,600	20,266
Total Revenues	8,881	8,881	24,520
<b>EXPENDITURES</b>			
Municipal Services			
Administration	182,371	182,371	173,662
Capital Outlay	705,000	1,159,049	1,009,760
Debt Service			
Interest and Fiscal Charges	-	-	87,970
Total Expenditures	887,371	1,341,420	1,271,392
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	(878,490)	(1,332,539)	(1,246,872)
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds Issued, at Par	-	-	4,500,000
Premium on Bonds	-	-	88,864
Total Other Financing Sources (Uses)	-	-	4,588,864
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (878,490)</b>	<b>\$ (1,332,539)</b>	<b>3,341,992</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>1,324,049</b>
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 4,666,041</b>

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

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

For the Year Ended December 31, 2017

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Investment Income	\$ 7,700	\$ 7,700	\$ 3,816
Total Revenues	<u>7,700</u>	<u>7,700</u>	<u>3,816</u>
<b>EXPENDITURES</b>			
None	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 7,700</u>	<u>\$ 7,700</u>	3,816
FUND BALANCE, JANUARY 1			<u>95,274</u>
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 99,090</u>

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL PURPOSE RESERVE FUND**

For the Year Ended December 31, 2017

---

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Investment Income	\$ 5,050	\$ 5,050	\$ 15,431
Total Revenues	5,050	5,050	15,431
<b>EXPENDITURES</b>			
Municipal Services Administration	-	-	7,392
Total Expenditures	-	-	7,392
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>5,050</b>	<b>5,050</b>	<b>8,039</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (Out)	(1,255,000)	(1,719,803)	(1,466,007)
Total Other Financing Sources (Uses)	(1,255,000)	(1,719,803)	(1,466,007)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (1,249,950)</b>	<b>\$ (1,714,753)</b>	<b>(1,457,968)</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>3,442,882</b>
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 1,984,914</b>

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

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

For the Year Ended December 31, 2017

---

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Property Taxes	\$ 873,633	\$ 873,633	\$ 852,852
Investment Income	200	200	2,455
Total Revenues	<u>873,833</u>	<u>873,833</u>	<u>855,307</u>
<b>EXPENDITURES</b>			
Debt Service			
Principal Retirement	1,056,000	1,056,000	1,056,000
Interest and Fees	294,635	294,635	295,884
Total Expenditures	<u>1,350,635</u>	<u>1,350,635</u>	<u>1,351,884</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(476,802)</u>	<u>(476,802)</u>	<u>(496,577)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	<u>464,587</u>	<u>464,587</u>	<u>531,890</u>
Total Other Financing Sources (Uses)	<u>464,587</u>	<u>464,587</u>	<u>531,890</u>
NET CHANGE IN FUND BALANCE	<u>\$ (12,215)</u>	<u>\$ (12,215)</u>	<u>35,313</u>
FUND BALANCE, JANUARY 1			<u>176,064</u>
<b>FUND BALANCE, DECEMBER 31</b>			<u><u>\$ 211,377</u></u>

(See independent auditor's report.)

## **NONMAJOR GOVERNMENTAL FUNDS**

### **CAPITAL PROJECTS FUNDS**

Central Business District (CBD) Parking Fund - to account for the assigned grant funds used to construct a parking lot.

Roadway Grant Fund - to account for assigned resources associated with the Federal right of way project.

### **SPECIAL REVENUE FUNDS**

TIF District Fund - to account for restricted resources in the Village's TIF District to fund economic developments.

Motor Fuel Tax Fund - to account for the restricted funds used in the operations of certain street maintenance programs and to fund specific capital projects as authorized by the Illinois Department of Transportation.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2017

	Capital Projects		Special Revenue		Total Nonmajor Governmental Funds
	CBD Parking	Roadway Grant	TIF District	Motor Fuel Tax	
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 83,878	\$ -	\$ 59,940	\$ 1,598,340	\$ 1,742,158
Investments	-	-	-	300,000	300,000
Due from Other Governments	-	21,966	-	28,670	50,636
<b>TOTAL ASSETS</b>	<b>\$ 83,878</b>	<b>\$ 21,966</b>	<b>\$ 59,940</b>	<b>\$ 1,927,010</b>	<b>\$ 2,092,794</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ -	\$ 145	\$ 8,664	\$ 8,809
Unearned Parking Permit Revenue	8,551	-	-	-	8,551
Due to Other Funds	-	17,351	-	-	17,351
Advances from Other Funds	-	-	100,000	-	100,000
Total Liabilities	8,551	17,351	100,145	8,664	134,711
<b>DEFERRED INFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	8,551	17,351	100,145	8,664	134,711
<b>FUND BALANCES</b>					
Restricted					
Maintenance of Roadways	-	-	-	1,918,346	1,918,346
Unrestricted					
Assigned for Capital Projects	-	4,615	-	-	4,615
Assigned for Commuter Improvements	75,327	-	-	-	75,327
Unassigned (Deficit)	-	-	(40,205)	-	(40,205)
Total Fund Balances (Deficit)	75,327	4,615	(40,205)	1,918,346	1,958,083
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 83,878</b>	<b>\$ 21,966</b>	<b>\$ 59,940</b>	<b>\$ 1,927,010</b>	<b>\$ 2,092,794</b>

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2017

	Capital Projects		Special Revenue		Total Nonmajor Governmental Funds
	CBD Parking	Roadway Grant	TIF District	Motor Fuel Tax	
<b>REVENUES</b>					
Property Taxes	\$ -	\$ -	\$ 1,876	\$ -	\$ 1,876
Intergovernmental	-	21,965	-	330,948	352,913
Charges for Services	17,050	-	-	-	17,050
Investment Income	-	-	-	5,624	5,624
Total Revenues	17,050	21,965	1,876	336,572	377,463
<b>EXPENDITURES</b>					
Current					
Economic Development	-	-	4,648	-	4,648
Capital Outlay	90	30,189	-	89,551	119,830
Total Expenditures	90	30,189	4,648	89,551	124,478
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	16,960	(8,224)	(2,772)	247,021	252,985
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
NET CHANGE IN FUND BALANCES	16,960	(8,224)	(2,772)	247,021	252,985
FUND BALANCES (DEFICIT), JANUARY 1	58,367	12,839	(37,433)	1,671,325	1,705,098
<b>FUND BALANCES (DEFICIT), DECEMBER 31</b>	<b>\$ 75,327</b>	<b>\$ 4,615</b>	<b>\$ (40,205)</b>	<b>\$ 1,918,346</b>	<b>\$ 1,958,083</b>

See accompanying notes to financial statements.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

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

For the Year Ended December 31, 2017

---

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Charges for Services	\$ 18,000	\$ 18,000	\$ 17,050
Total Revenues	<u>18,000</u>	<u>18,000</u>	<u>17,050</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>10,000</u>	<u>10,000</u>	<u>90</u>
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>90</u>
NET CHANGE IN FUND BALANCE	<u>\$ 8,000</u>	<u>\$ 8,000</u>	16,960
FUND BALANCE, JANUARY 1			<u>58,367</u>
<b>FUND BALANCE, DECEMBER 31</b>			<u><u>\$ 75,327</u></u>

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

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

For the Year Ended December 31, 2017

---

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Intergovernmental	\$ 64,180	\$ 64,180	\$ 21,965
Total Revenues	<u>64,180</u>	<u>64,180</u>	<u>21,965</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>79,800</u>	<u>79,800</u>	<u>30,189</u>
Total Expenditures	<u>79,800</u>	<u>79,800</u>	<u>30,189</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(15,620)</u>	<u>(15,620)</u>	<u>(8,224)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	<u>80,000</u>	<u>80,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>80,000</u>	<u>80,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 64,380</u>	<u>\$ 64,380</u>	<u>(8,224)</u>
FUND BALANCE, JANUARY 1			<u>12,839</u>
<b>FUND BALANCE, DECEMBER 31</b>			<u><u>\$ 4,615</u></u>

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

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

For the Year Ended December 31, 2017

---

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Property Taxes	\$ 10,000	\$ 10,000	\$ 1,876
Total Revenues	10,000	10,000	1,876
<b>EXPENDITURES</b>			
Current			
Economic Development			
Professional Services	60,000	60,000	4,648
Total Expenditures	60,000	60,000	4,648
NET CHANGE IN FUND BALANCE	<u>\$ (50,000)</u>	<u>\$ (50,000)</u>	(2,772)
FUND BALANCE (DEFICIT), JANUARY 1			<u>(37,433)</u>
<b>FUND BALANCE (DEFICIT), DECEMBER 31</b>			<u><b>\$ (40,205)</b></u>

(See independent auditor's report.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
MOTOR FUEL TAX FUND**

For the Year Ended December 31, 2017

---

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Intergovernmental			
State Motor Fuel Tax	\$ 336,053	\$ 336,053	\$ 330,948
Investment Income	5,700	5,700	5,624
	<hr/>		
Total Revenues	341,753	341,753	336,572
	<hr/>		
<b>EXPENDITURES</b>			
Current			
Capital Outlay			
Highways and Streets	95,000	101,000	89,551
	<hr/>		
Total Expenditures	95,000	101,000	89,551
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ 246,753</u>	<u>\$ 240,753</u>	247,021
FUND BALANCE, JANUARY 1			<u>1,671,325</u>
<b>FUND BALANCE, DECEMBER 31</b>			<u><u>\$ 1,918,346</u></u>

(See independent auditor's report.)

## **NONMAJOR ENTERPRISE FUND**

Emergency Telephone System Fund - to account for the expenditures in connection with the development and improvement of emergency communication procedures facilitating timely response to any person calling the telephone number "911" seeking police, fire, medical, rescue and other emergency services. Monies are provided from user fees assessed on phone lines and miscellaneous sources.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUND

December 31, 2017

---

	<b>Emergency Telephone System</b>
<b>CURRENT ASSETS</b>	
Cash and Cash Equivalents	\$ -
Total Current Assets	-
Total Assets	-
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
None	-
Total Deferred Outflows of Resources	-
Total Assets and Deferred Outflows of Resources	-
<b>CURRENT LIABILITIES</b>	
None	-
Total Current Liabilities	-
Total Liabilities	-
<b>DEFERRED INFLOWS OF RESOURCES</b>	
None	-
Total Deferred Inflows of Resources	-
Total Liabilities and Deferred Inflows of Resources	-
<b>NET POSITION</b>	
Unrestricted	-
<b>TOTAL NET POSITION</b>	<b>\$ -</b>

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUND

For the Year Ended December 31, 2017

---

	<b>Emergency Telephone System</b>
<b>OPERATING REVENUES</b>	
Charges for Services	\$ (11,071)
Total Operating Revenues	<u>(11,071)</u>
<b>OPERATING EXPENSES</b>	
Contractual Services	<u>150,331</u>
Total Operating Expenses	<u>150,331</u>
NET INCOME (LOSS) BEFORE TRANSFERS	(161,402)
<b>TRANSFERS</b>	
Transfers In	189,611
Trasfers (out)	<u>(19,616)</u>
Total Transfers	<u>169,995</u>
CHANGE IN NET POSITION	8,593
NET POSITION (DEFICIT), JANUARY 1	<u>(8,593)</u>
<b>NET POSITION, DECEMBER 31</b>	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUND

For the Year Ended December 31, 2017

---

	<b>Emergency Telephone System</b>
	<u>                    </u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers and Users	\$      52,254
Payments to Suppliers	<u>          (241,865)</u>
Net Cash from Operating Activities	<u>                  (189,611)</u>
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
None	<u>                          -</u>
Net Cash from Capital and Related Financing Activities	<u>                          -</u>
 <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Interfund Receipt	<u>                  189,611</u>
Net Cash from Noncapital Financing Activities	<u>                  189,611</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
None	<u>                          -</u>
Net Cash from Investing Activities	<u>                          -</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>                          -</u>
 CASH AND CASH EQUIVALENTS, JANUARY 1	<u>                          -</u>
 <b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<u><u>                          -</u></u>

(This statement is continued on the following page.)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**STATEMENT OF CASH FLOWS (Continued)**  
**NONMAJOR ENTERPRISE FUND**

For the Year Ended December 31, 2017

---

	<b>Emergency Telephone System</b>
	<u>                    </u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS)</b>	
<b>TO NET CASH FLOWS FROM</b>	
<b>OPERATING ACTIVITIES</b>	
Operating Income (Loss)	\$ (161,402)
Adjustments to Reconcile Operating Income (Loss)	
to Net Cash from Operating Activities	
Changes in Assets and Liabilities	
Accounts Receivable	63,325
Accounts Payable	<u>(91,534)</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u><u>\$ (189,611)</u></u>

See accompanying notes to financial statements.

## **FIDUCIARY FUNDS**

Fiduciary Funds consist of resources held by the Village as trustee to be expended or invested in accordance with the conditions of the trust or in its agency capacity. The Fiduciary Funds maintained by the Village are as follows:

### **PENSION TRUST FUNDS**

Police Pension Fund - to account for the accumulation of resources to be used for retirement annuity payments of appropriate amounts at times in the future. Resources are contributed by police officers at rates fixed by state statutes and by the Village through an annual property tax levy of amounts determined by an independent actuary.

Firefighters' Pension Fund - to account for the accumulation of resources to be used for retirement annuity payments of appropriate amounts at times in the future. Resources are contributed by firefighters at rates fixed by the state statutes and by the Village through an annual property tax levy of amounts determined by an independent actuary.

### **AGENCY FUND**

Seizure Fund - to account for assets held by the Village on behalf of other governments.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**COMBINING STATEMENT OF NET POSITION  
PENSION TRUST FUNDS**

December 31, 2017

---

	<b>Pension Trust</b>		
	<b>Police Pension</b>	<b>Firefighters' Pension</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 237,585	\$ 4,612	\$ 242,197
Investments, at Fair Value			
Certificates of Deposit	-	267,673	267,673
U.S. Treasury Obligations	1,246,775	-	1,246,775
U.S. Agency Obligations	1,296,706	-	1,296,706
Municipal Bonds	380,512	-	380,512
Corporate Bonds	2,432,698	-	2,432,698
Equities	9,984,608	-	9,984,608
Accrued Interest Receivable	36,970	534	37,504
Total Assets	<u>15,615,854</u>	<u>272,819</u>	<u>15,888,673</u>
<b>LIABILITIES</b>			
Accounts Payable	<u>5,599</u>	-	<u>5,599</u>
Total Liabilities	<u>5,599</u>	-	<u>5,599</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<u>\$ 15,610,255</u>	<u>\$ 272,819</u>	<u>\$ 15,883,074</u>

See accompanying notes to financial statements.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION  
PENSION TRUST FUNDS**

For the Year Ended December 31, 2017

	<b>Pension Trust</b>		<b>Total</b>
	<b>Police Pension</b>	<b>Firefighters' Pension</b>	
<b>ADDITIONS</b>			
Contributions			
Employer Contributions	\$ 1,031,743	\$ 12,355	\$ 1,044,098
Employee Contributions	240,997	-	240,997
Total Contributions	<u>1,272,740</u>	<u>12,355</u>	<u>1,285,095</u>
Investment Income			
Net Appreciation in Fair Value of Investments	1,827,225	-	1,827,225
Interest	280,202	2,604	282,806
Total Investment Income	2,107,427	2,604	2,110,031
Less Investment Expense	(59,726)	-	(59,726)
Net Investment Income	<u>2,047,701</u>	<u>2,604</u>	<u>2,050,305</u>
Total Additions	<u>3,320,441</u>	<u>14,959</u>	<u>3,335,400</u>
<b>DEDUCTIONS</b>			
Benefits and Refunds	1,472,953	21,148	1,494,101
Administrative Expenses	7,488	58	7,546
Total Deductions	<u>1,480,441</u>	<u>21,206</u>	<u>1,501,647</u>
NET INCREASE (DECREASE)	1,840,000	(6,247)	1,833,753
<b>NET POSITION RESTRICTED FOR PENSIONS</b>			
January 1	<u>13,770,255</u>	<u>279,066</u>	<u>14,049,321</u>
December 31	<u>\$ 15,610,255</u>	<u>\$ 272,819</u>	<u>\$ 15,883,074</u>

See accompanying notes to financial statements.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND**

For the Year Ended December 31, 2017

---

	<b>Balances, January 1</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balances, December 31</b>
<b>SEIZURE FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 3,858	\$ -	\$ -	\$ 3,858
<b>TOTAL ASSETS</b>	<b>\$ 3,858</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,858</b>
<b>LIABILITIES</b>				
Other Liabilities	\$ 3,858	\$ -	\$ -	\$ 3,858
<b>TOTAL LIABILITIES</b>	<b>\$ 3,858</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,858</b>

See accompanying notes to financial statements.

## STATISTICAL SECTION (Unaudited)

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

<u>Contents</u>	<u>Page(s)</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have been changed over time.	109-118
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	119-122
<b>Debt Capacity</b> 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.	123-128
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	129-130
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	131-133

*Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.*

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>GOVERNMENTAL ACTIVITIES</b>				
Net Investment in Capital Assets	\$ 69,189,177	\$ 70,654,082	\$ 72,419,795	\$ 73,278,306
Restricted	4,761,522	2,664,124	2,230,311	2,551,951
Unrestricted	(6,669,816)	(4,070,111)	(3,773,976)	6,921,261
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 67,280,883</b>	<b>\$ 69,248,095</b>	<b>\$ 70,876,130</b>	<b>\$ 82,751,518</b>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net Investment in Capital Assets	\$ 7,481,302	\$ 7,058,911	\$ 7,133,427	\$ 6,849,787
Restricted	-	-	-	-
Unrestricted	956,753	(558,727)	(508,970)	493,261
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 8,438,055</b>	<b>\$ 6,500,184</b>	<b>\$ 6,624,457</b>	<b>\$ 7,343,048</b>
<b>PRIMARY GOVERNMENT</b>				
Net Investment in Capital Assets	\$ 76,670,479	\$ 77,712,993	\$ 79,553,222	\$ 80,128,093
Restricted	4,761,522	2,664,124	2,230,311	2,551,951
Unrestricted	(5,713,063)	(4,628,838)	(4,282,946)	7,414,522
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 75,718,938</b>	<b>\$ 75,748,279</b>	<b>\$ 77,500,587</b>	<b>\$ 90,094,566</b>

GASB Statement No. 68 was implemented in 2015.

Data Source

Audited Financial Statements

<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$ 73,180,184	\$ 74,000,486	\$ 74,821,522	\$ 74,081,068	\$ 74,156,250	\$ 74,708,231
6,855,202	9,154,745	7,654,038	6,980,476	9,058,694	8,435,541
5,349,036	2,484,389	3,240,277	4,366,111	2,209,871	3,257,899
<b>\$ 85,384,422</b>	<b>\$ 85,639,620</b>	<b>\$ 85,715,837</b>	<b>\$ 85,427,655</b>	<b>\$ 85,424,815</b>	<b>\$ 86,401,671</b>
\$ 6,598,723	\$ 6,416,805	\$ 6,214,689	\$ 6,878,879	\$ 6,331,203	\$ 6,024,840
-	-	-	-	-	-
555,036	672,715	170,247	(626,405)	(7,679)	412,267
<b>\$ 7,153,759</b>	<b>\$ 7,089,520</b>	<b>\$ 6,384,936</b>	<b>\$ 6,252,474</b>	<b>\$ 6,323,524</b>	<b>\$ 6,437,107</b>
\$ 79,778,907	\$ 80,417,291	\$ 81,036,211	\$ 80,959,947	\$ 80,487,453	\$ 80,733,071
6,855,202	9,154,745	7,654,038	6,980,476	9,058,694	8,435,541
5,904,072	3,157,104	3,410,524	3,739,706	2,202,192	3,670,166
<b>\$ 92,538,181</b>	<b>\$ 92,729,140</b>	<b>\$ 92,100,773</b>	<b>\$ 91,680,129</b>	<b>\$ 91,748,339</b>	<b>\$ 92,838,778</b>

VILLAGE OF WESTERN SPRINGS, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>EXPENSES</b>				
Governmental Activities				
General Government	\$ 2,634,147	\$ 2,639,175	\$ 2,203,477	\$ 2,170,652
Public Safety	7,596,882	7,920,924	7,140,846	6,077,036
Municipal Services	2,794,550	3,411,564	3,747,309	6,827,362
Economic Development	4,648	4,255	3,334	30,097
Culture and Recreation	1,605,453	1,695,442	1,761,165	1,740,288
Interest	415,792	291,867	355,249	252,949
Total Governmental Activities Expenses	<u>15,051,472</u>	<u>15,963,227</u>	<u>15,211,380</u>	<u>17,098,384</u>
Business-Type Activities				
Water and Sewer	3,668,216	3,700,587	3,543,606	2,831,457
Parking	652,391	482,444	316,323	338,209
Emergency 911	150,331	387,121	190,117	119,282
Total Business-Type Activities Expenses	<u>4,470,938</u>	<u>4,570,152</u>	<u>4,050,046</u>	<u>3,288,948</u>
<b>TOTAL PRIMARY GOVERNMENT EXPENSES</b>	<u>\$ 19,522,410</u>	<u>\$ 20,533,379</u>	<u>\$ 19,261,426</u>	<u>\$ 20,387,332</u>
<b>PROGRAM REVENUES</b>				
Governmental Activities				
Charges for Services				
General Government	\$ 431,030	\$ 383,625	\$ 367,984	\$ 361,213
Public Safety	339,229	309,139	345,200	344,347
Municipal Services	1,468,182	1,300,225	1,329,431	1,658,648
Culture and Recreation	1,145,838	1,191,119	998,957	1,050,257
Operating Grants and Contributions	407,121	391,630	353,239	508,001
Capital Grants and Contributions	34,862	13,426	-	670,995
Total Governmental Activities Program Revenues	<u>3,826,262</u>	<u>3,589,164</u>	<u>3,394,811</u>	<u>4,593,461</u>
Business-Type Activities				
Charges for Services				
Water and Sewer	4,140,796	3,358,961	3,043,822	2,815,019
Parking	183,784	183,175	185,102	174,847
Emergency 911	(11,071)	165,263	146,524	140,697
Capital Grants and Contributions	492,326	-	-	106,264
Total Business-Type Activities Program Revenues	<u>4,805,835</u>	<u>3,707,399</u>	<u>3,375,448</u>	<u>3,236,827</u>
<b>TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES</b>	<u>\$ 8,632,097</u>	<u>\$ 7,296,563</u>	<u>\$ 6,770,259</u>	<u>\$ 7,830,288</u>
<b>NET (EXPENSE) REVENUE</b>				
Governmental Activities	\$ (11,225,210)	\$ (12,374,063)	\$ (11,816,569)	\$ (12,504,923)
Business-Type Activities	<u>334,897</u>	<u>(862,753)</u>	<u>(674,598)</u>	<u>(52,121)</u>
<b>TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE</b>	<u>\$ (10,890,313)</u>	<u>\$ (13,236,816)</u>	<u>\$ (12,491,167)</u>	<u>\$ (12,557,044)</u>

	2013	2012	2011	2010	2009	2008
\$	2,267,323	\$ 1,931,767	\$ 1,867,995	\$ 1,976,030	\$ 1,759,779	\$ 2,002,630
	5,960,533	5,602,097	4,089,737	4,343,634	4,963,728	5,240,950
	3,482,461	3,253,780	5,271,486	4,855,445	4,816,551	3,300,712
	-	-	-	-	-	-
	1,586,455	1,576,886	1,573,869	1,329,864	1,323,071	1,330,762
	272,582	383,341	292,998	322,113	310,099	260,523
	13,569,354	12,747,871	13,096,085	12,827,086	13,173,228	12,135,577
	2,805,242	2,693,996	2,721,204	2,817,730	2,926,064	3,021,497
	326,860	291,786	316,450	383,894	290,667	356,493
	136,202	172,598	130,903	119,516	126,935	147,371
	3,268,304	3,158,380	3,168,557	3,321,140	3,343,666	3,525,361
\$	16,837,658	\$ 15,906,251	\$ 16,264,642	\$ 16,148,226	\$ 16,516,894	\$ 15,660,938
\$	344,613	\$ 336,756	\$ 318,779	\$ 306,645	\$ 286,569	\$ 269,672
	338,221	327,931	305,948	279,471	166,311	210,104
	1,272,607	948,390	834,154	894,814	779,939	826,642
	1,129,611	1,011,154	933,824	871,955	843,909	819,370
	523,270	483,211	499,431	537,493	396,910	357,280
	19,024	110,972	1,090,715	1,154,501	163,457	59,285
	3,627,346	3,218,414	3,982,851	4,044,879	2,637,095	2,542,353
	2,965,535	3,102,446	2,883,499	2,721,772	2,564,887	2,296,426
	150,837	145,806	156,441	158,026	146,978	145,848
	142,843	148,496	135,197	138,240	139,796	155,121
	-	-	-	-	-	725,000
	3,259,215	3,396,748	3,175,137	3,018,038	2,851,661	3,322,395
\$	6,886,561	\$ 6,615,162	\$ 7,157,988	\$ 7,062,917	\$ 5,488,756	\$ 5,864,748
\$	(9,942,008)	\$ (9,529,457)	\$ (9,113,234)	\$ (8,782,207)	\$ (10,536,133)	\$ (9,593,224)
	(9,089)	238,368	6,580	(303,102)	(492,005)	(202,966)
\$	(9,951,097)	\$ (9,291,089)	\$ (9,106,654)	\$ (9,085,309)	\$ (11,028,138)	\$ (9,796,190)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>				
Governmental Activities				
Taxes				
Property	\$ 6,064,042	\$ 5,898,916	\$ 5,672,832	\$ 5,615,269
Sales, Local Use	1,337,154	1,289,721	1,225,827	1,173,657
Utility	570,747	558,801	573,866	681,343
Telecommunications	308,103	347,917	375,411	371,844
Intergovernmental - Unrestricted				
Income	1,191,568	1,263,039	1,380,581	1,242,276
Replacement	30,808	29,174	32,924	30,886
Donations	-	-	-	-
Investment Income	94,168	60,207	38,910	(37,520)
Miscellaneous	989,471	964,939	974,834	906,819
Gain on Sale of Capital Assets	118,328	64,241	-	-
Transfers In (Out)	(1,446,391)	(356,887)	(100,000)	50,000
Total Governmental Activities	9,257,998	10,120,068	10,175,185	10,034,574
Business-Type Activities				
Property Tax	107,761	115,547	106,786	110,328
Investment Income	8,961	3,660	174	227
Miscellaneous	35,753	7,967	36,330	175,084
Gain on Sale of Capital Assets	4,108	3,933	998	5,771
Transfers In (Out)	1,446,391	356,887	100,000	(50,000)
Total Business-Type Activities	1,602,974	487,994	244,288	241,410
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 10,860,972</b>	<b>\$ 10,608,062</b>	<b>\$ 10,419,473</b>	<b>\$ 10,275,984</b>
<b>CHANGE IN NET POSITION</b>				
Governmental Activities	\$ (1,967,212)	\$ (2,253,995)	\$ (1,641,384)	\$ (2,470,349)
Business-Type Activities	1,937,871	(374,759)	(430,310)	189,289
<b>TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION</b>	<b>\$ (29,341)</b>	<b>\$ (2,628,754)</b>	<b>\$ (2,071,694)</b>	<b>\$ (2,281,060)</b>

Data Source

Audited Financial Statements

	2013	2012	2011	2010	2009	2008
\$	5,424,526	\$ 5,355,865	\$ 5,074,327	\$ 4,844,945	\$ 4,508,516	\$ 4,144,580
	1,013,131	969,706	949,174	909,078	907,199	996,004
	602,322	565,353	630,775	642,838	619,878	738,836
	437,713	478,732	479,435	487,604	515,894	509,777
	1,236,263	1,140,080	1,001,152	983,226	1,015,418	1,182,637
	30,005	27,066	27,016	30,658	37,911	44,938
	-	-	-	-	1,000,000	6,224
	28,752	32,010	62,877	142,928	85,442	330,642
	946,318	840,848	1,027,072	752,186	820,416	691,534
	-	-	116,985	6,852	2,983	234,399
	(250,000)	-	50,000	-	(103,000)	(100,000)
	9,469,030	9,409,660	9,418,813	8,800,315	9,410,657	8,779,571
	126,746	104,296	163,085	136,791	144,098	134,255
	507	1,694	696	6,206	6,934	43,541
	30,142	13,144	12,101	89,053	53	(3,649)
	18,225	2,750	-	-	2,786	956
	250,000	-	(50,000)	-	103,000	100,000
	425,620	121,884	125,882	232,050	256,871	275,103
\$	9,894,650	\$ 9,531,544	\$ 9,544,695	\$ 9,032,365	\$ 9,667,528	\$ 9,054,674
\$	(472,978)	\$ (119,797)	\$ 305,579	\$ 18,108	\$ (1,125,476)	\$ (813,653)
	416,531	360,252	132,462	(71,052)	(235,134)	72,137
\$	(56,447)	\$ 240,455	\$ 438,041	\$ (52,944)	\$ (1,360,610)	\$ (741,516)

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>GENERAL FUND</b>				
Nonspendable				
Advances to Other Funds	\$ -	\$ -	\$ -	\$ -
Prepaid Items	33,762	14,086	150,866	15,510
Restricted				
Civil Defense	-	-	-	-
Audit	-	-	-	-
Liability Insurance	-	-	-	-
Retirement	-	-	12,278	-
Unrestricted				
Committed	-	-	-	-
Assigned for Quasquicentennial	48,276	48,276	48,276	48,276
Assigned for Capital Projects	-	-	-	-
Unassigned	3,843,051	3,617,782	4,024,147	4,414,607
<b>TOTAL GENERAL FUND</b>	<b>\$ 3,925,089</b>	<b>\$ 3,680,144</b>	<b>\$ 4,235,567</b>	<b>\$ 4,478,393</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Nonspendable				
Advances to Other Funds	\$ -	\$ -	\$ -	\$ 100,000
Prepaid Items	-	452,545	9,509	-
Restricted				
Maintenance of Roadways	6,584,387	2,995,374	3,518,435	1,348,778
Subdivision Improvements	21,219	51,760	51,757	300,394
Capital Improvement	1,032,608	1,195,346	1,361,158	672,168
Debt Service	211,377	176,064	250,955	255,406
Unrestricted				
Committed	-	-	-	-
Assigned for Recreation	503,058	538,105	335,579	770,073
Assigned for Capital Projects	2,088,619	3,550,995	3,316,093	2,309,016
Assigned for Commuter Improvements	75,327	58,367	46,803	29,233
Unassigned	(40,205)	(37,433)	(33,431)	(65,656)
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 10,476,390</b>	<b>\$ 8,981,123</b>	<b>\$ 8,856,858</b>	<b>\$ 5,719,412</b>

Data Source

Audited Financial Statements

	2013	2012	2011	2010	2009	2008
\$	-	\$ -	\$ -	\$ -	\$ 74,822	\$ 87,718
	23,143	24,385	28,797	34,255	44,905	76,937
	-	-	-	-	-	-
	-	-	-	2,183	4,363	5,968
	-	-	-	-	-	59,793
	-	-	-	79,118	76,696	69,141
	-	-	-	-	-	-
	48,276	47,176	43,826	-	-	-
	-	-	-	-	-	-
	3,715,051	3,924,390	2,654,292	2,282,649	2,071,908	2,033,278
\$	3,786,470	\$ 3,995,951	\$ 2,726,915	\$ 2,398,205	\$ 2,272,694	\$ 2,332,835
\$	44,184	\$ 86,264	\$ 126,340	\$ 164,508	\$ 200,858	\$ 235,478
	-	-	-	-	-	-
	2,230,541	4,625,166	1,091,848	868,150	2,750,673	527,297
	4,084,692	4,797,489	4,976,841	5,663,069	5,975,785	7,553,844
	1,307,519	1,113,388	1,687,924	-	-	-
	220,314	232,945	153,633	130,429	65,778	110,934
	-	-	-	-	-	-
	838,929	630,617	305,811	237,527	185,399	108,564
	1,437,531	777,444	820,881	3,632,449	3,478,724	3,106,019
	-	-	-	-	-	-
	11,473	(8,512)	(50,249)	-	-	-
\$	10,175,183	\$ 12,254,801	\$ 9,113,029	\$ 10,696,132	\$ 12,657,217	\$ 11,642,136

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>REVENUES</b>				
Taxes	\$ 8,280,045	\$ 8,095,354	\$ 7,847,937	\$ 9,115,275
Licenses and Permits	1,567,589	1,385,544	1,380,762	1,655,714
Intergovernmental	1,714,271	1,745,159	1,809,187	601,978
Charges for Services	2,061,955	2,056,663	1,914,268	1,204,835
Fines and Forfeits	318,653	288,598	323,642	324,484
Investment Income	94,168	60,207	38,910	(37,520)
Miscellaneous	375,642	370,353	355,290	1,091,269
<b>Total Revenues</b>	<b>14,412,323</b>	<b>14,001,878</b>	<b>13,669,996</b>	<b>13,956,035</b>
<b>EXPENDITURES</b>				
General Government	2,380,810	2,363,807	2,145,614	2,124,298
Public Safety	6,544,495	6,531,451	6,076,345	5,773,571
Municipal Services	1,813,103	1,720,087	1,697,188	1,702,778
Economic Development	4,648	4,255	3,334	30,097
Culture and Recreation	1,380,047	1,429,072	1,397,029	1,369,388
Capital Outlay	2,388,680	1,274,360	2,218,340	6,051,756
Debt Service				
Principal	1,056,000	1,036,000	1,003,300	1,051,400
Interest	383,854	315,595	372,256	245,093
Other Charges	-	-	-	-
<b>Total Expenditures</b>	<b>15,951,637</b>	<b>14,674,627</b>	<b>14,913,406</b>	<b>18,348,381</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,539,314)</b>	<b>(672,749)</b>	<b>(1,243,410)</b>	<b>(4,392,346)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds Issued, at Par	4,500,000	350,000	5,480,000	-
Notes Issued, at Par	-	-	-	-
Premium on Bonds	88,864	-	309,114	-
Payment to Escrow Agent	-	-	(1,560,434)	-
Transfers In	531,890	1,437,449	1,482,310	1,036,426
Transfers (Out)	(1,997,897)	(1,794,336)	(1,582,310)	(986,426)
Sale of Capital Assets	156,669	248,478	9,350	119,053
Sale of Real Property	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>3,279,526</b>	<b>241,591</b>	<b>4,138,030</b>	<b>169,053</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 1,740,212</b>	<b>\$ (431,158)</b>	<b>\$ 2,894,620</b>	<b>\$ (4,223,293)</b>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	<b>10.23%</b>	<b>9.25%</b>	<b>9.61%</b>	<b>10.32%</b>

Data Source

Audited Financial Statements

	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$	8,743,960	\$ 8,536,802	\$ 8,161,880	\$ 7,898,349	\$ 7,604,816	\$ 7,616,772
	1,276,581	990,270	894,960	974,644	929,809	887,177
	585,876	634,404	1,628,653	1,730,038	583,392	469,482
	1,282,541	1,165,743	1,085,563	980,390	866,044	841,559
	320,796	307,601	287,522	268,495	261,022	208,104
	28,752	32,010	62,877	142,929	85,442	330,642
	1,091,706	944,509	1,096,869	828,229	1,792,941	823,370
	13,330,212	12,611,339	13,218,324	12,823,074	12,123,466	11,177,106
	1,989,691	1,872,669	1,858,203	1,912,431	1,824,329	1,714,896
	5,674,604	5,335,071	5,186,189	5,054,189	5,101,044	5,122,893
	1,638,736	1,696,354	1,664,139	2,024,257	1,914,934	1,803,613
	-	-	-	-	-	-
	1,338,010	1,284,634	1,266,437	1,132,696	1,088,387	1,065,804
	2,257,063	2,901,438	3,527,476	3,342,866	3,461,110	2,382,309
	1,039,500	996,800	850,300	884,000	632,700	555,000
	259,893	360,915	286,958	315,061	323,852	232,762
	-	-	-	-	5,663	20,660
	14,197,497	14,447,881	14,639,702	14,665,500	14,352,019	12,897,937
	(867,285)	(1,836,542)	(1,421,378)	(1,842,426)	(2,228,553)	(1,720,831)
	-	5,670,000	-	-	3,250,000	400,000
	-	560,000	-	-	-	-
	-	57,170	-	-	-	-
	-	(2,359,024)	-	-	-	-
	1,154,516	496,603	483,004	608,010	766,927	532,703
	(1,404,516)	(496,603)	(433,004)	(608,010)	(869,927)	(632,703)
	799,646	4,950	116,985	6,852	7,283	5,240
	-	-	-	-	-	621,160
	549,646	3,933,096	166,985	6,852	3,154,283	926,400
\$	(317,639)	\$ 2,096,554	\$ (1,254,393)	\$ (1,835,574)	\$ 925,730	\$ (794,431)
	10.70%	9.12%	9.35%	8.20%	6.61%	8.52%

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

<b>Levy Year</b>	<b>Residential Property</b>	<b>Railroad</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Estimated Actual Taxable Value</b>
2008	\$ 732,054,437	*	*	*	\$ 732,054,437	\$ 0.612	\$ 2,196,163,311	33.333%
2009	766,561,092	*	*	*	766,561,092	0.634	2,299,683,276	33.333%
2010	781,304,276	*	*	*	781,304,276	0.659	2,343,912,828	33.333%
2011	636,370,071	*	*	*	636,370,071	0.843	1,909,110,213	33.333%
2012	594,459,035	*	*	*	594,459,035	0.925	1,783,377,105	33.333%
2013	563,356,546	*	*	*	563,356,546	0.996	1,875,977,298	33.333%
2014	595,143,879	*	*	*	595,143,879	0.955	1,981,829,117	33.333%
2015	585,304,846	*	*	*	585,304,846	1.008	1,949,065,137	33.333%
2016	619,757,713	*	*	*	619,757,713	0.980	2,063,793,184	33.333%
2017	*	*	*	*	*	*	*	*

\* Data not available at time of printing.

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

VILLAGE OF WESTERN SPRINGS, ILLINOIS

PROPERTY TAX RATES - PER \$100 OF ASSESSED VALUATION - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Fiscal Years

Tax Levy Year	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>TAX RATES*</b>										
Village of Western Springs (a)	**	0.979	1.008	0.955	0.996	0.925	0.843	0.659	0.634	0.612
Thomas Ford Memorial Library	**	0.214	0.219	0.209	0.214	0.197	0.177	0.141	0.136	0.142
Western Spring Park District	**	0.139	0.141	0.135	0.138	0.128	0.116	0.092	0.089	0.092
Cook County	**	0.533	0.586	0.568	0.591	0.531	0.462	0.423	0.415	0.447
Forest Preserve District of Cook County	**	0.063	0.069	0.069	0.069	0.063	0.058	0.051	0.049	0.051
Metropolitan Water Reclamation District	**	0.406	0.426	0.430	0.417	0.370	0.025	0.274	0.261	0.252
Suburban T. B. Sanitarium	**	0.227	-	-	-	-	-	-	-	-
Lyons Township	**	3.293	0.237	0.231	0.231	0.213	0.198	0.161	0.158	0.122
School District #101	**		3.374	3.248	3.306	3.056	2.765	2.229	2.166	2.277
DuPage Community College District #502	**	0.313	0.311	0.320	0.323	0.276	0.248	0.211	0.204	0.193
Lyons Township High School #204	**	2.359	2.432	2.324	2.312	2.129	1.922	1.545	1.491	1.482
Des Plaines Valley Mosquito Abatement	**	0.017	0.017	0.016	0.016	0.015	0.014	0.011	0.011	0.012
<b>TOTAL TAX RATES</b>	<b>**</b>	<b>8.543</b>	<b>8.820</b>	<b>8.505</b>	<b>8.613</b>	<b>7.903</b>	<b>6.828</b>	<b>5.797</b>	<b>5.614</b>	<b>5.682</b>
<b>(a) Village Property Tax Breakdown: Corporate Levy</b>										
Garbage	**	0.187	0.186	0.173	0.166	0.153	0.140	0.121	0.102	0.105
IMRF	**	0.023	0.024	0.023	0.025	0.023	0.021	0.016	0.015	0.017
Street and Bridges	**	0.057	0.071	0.065	0.072	0.075	0.063	0.045	0.078	0.083
Fire Protection	**	0.049	0.052	0.051	0.054	0.050	0.045	0.036	0.035	0.037
Police Protection	**	0.054	0.057	0.056	0.059	0.054	0.049	0.039	0.038	0.040
Civil Defense	**	0.054	0.050	0.049	0.052	0.047	0.043	0.034	0.033	0.035
Auditing	**	0.001	0.001	0.001	0.001	0.001	0.001	-	-	-
Liability Insurance	**	0.004	0.005	0.004	0.005	0.004	0.004	0.003	0.003	0.003
Street Lighting	**	0.035	0.037	0.038	0.042	0.038	0.039	0.029	0.018	0.019
Crossing Guards	**	0.021	0.022	0.022	0.023	0.021	0.019	0.015	0.015	0.016
Ambulance	**	0.005	0.005	0.005	0.005	0.005	0.005	0.004	0.004	0.004
Forestry	**	0.075	0.079	0.077	0.082	0.075	0.068	0.054	0.053	0.056
Debt Service	**	0.022	0.024	0.023	0.024	0.023	0.020	0.016	0.016	0.017
Police Pension	**	0.139	0.146	0.132	0.151	0.143	0.135	0.095	0.087	0.038
Firefighters' Pension	**	0.166	0.155	0.144	0.139	0.122	0.107	0.087	0.076	0.073
Recreation	**	0.002	0.002	0.002	0.001	0.001	0.001	-	-	-
Handicapped Fund	**	0.034	0.036	0.035	0.037	0.035	0.032	0.025	0.024	0.026
Capital Improvement	**	0.018	0.020	0.019	0.020	0.019	0.020	0.016	0.014	0.017
<b>TOTAL VILLAGE TAXES</b>	<b>**</b>	<b>0.980</b>	<b>1.008</b>	<b>0.955</b>	<b>0.996</b>	<b>0.925</b>	<b>0.843</b>	<b>0.659</b>	<b>0.634</b>	<b>0.612</b>

\* 2016 Property Tax Rate which includes School District 106 is 8.769

\*\* Information not available.

Data Source

Office of the County Clerk

VILLAGE OF WESTERN SPRINGS, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2016* Assessed Valuation			Taxpayer	2007 Assessed Valuation		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation		Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Federal Realty Investment Trust	\$ 9,390,723	1	1.52%	Western Springs LLC	\$ 16,466,928	1	2.64%
Timber Trails Development	2,848,631	2	0.46%	Federal Realty Investment Trust	8,710,377	2	1.39%
Hinsdale Bank and Trust	1,534,328	3	0.25%	Hinsdale Bank and Trust	2,701,934	3	0.43%
G. Grant Dixon & Sons	1,482,503	4	0.24%	Dixon Realty	2,352,175	4	0.38%
WSMC Partners LLC	1,387,578	5	0.22%	Western Springs National Bank	1,816,652	5	0.29%
BMO Harris Bank	1,327,508	6	0.21%	Harris Bank	1,758,853	6	0.28%
Heartland Bank	1,245,644	7	0.20%	Individual	1,710,461	7	0.27%
Casey Gaik	1,199,627	8	0.19%	Individual	1,640,317	8	0.26%
800 Hillgrove	990,897	9	0.16%	Casey Gaik	1,351,475	9	0.22%
Franklin Hillgrove	809,772	10	0.13%	Franklin Hillgrove	1,215,017	10	0.19%
<b>TOTAL</b>	<u>\$ 22,217,211</u>		<u>3.58%</u>		<u>\$ 39,724,189</u>		<u>6.35%</u>

\* Most recent data available.

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source

Office of the County Clerk

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Net Collections in Subsequent Years	Total Net Collections to Date*	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	\$ 4,478,853	\$ 4,151,237	92.69%	\$ 285,513	\$ 4,436,750	99.06%
2009	4,923,253	4,748,673	96.45%	138,780	4,887,453	99.27%
2010	5,148,693	4,895,714	95.09%	228,834	5,124,548	99.53%
2011	5,362,170	4,892,365	91.24%	447,432	5,339,797	99.58%
2012	5,576,719	5,280,995	94.70%	186,259	5,467,254	98.04%
2013	5,610,831	5,566,728	99.21%	66,878	5,633,606	100.41%
2014	5,679,950	5,571,163	98.08%	85,800	5,656,963	99.60%
2015	5,899,872	5,845,265	99.07%	37,747	5,883,012	99.71%
2016	6,067,428	5,975,694	98.49%	-	5,975,694	98.49%
2017	6,692,994	(a)	(a)	(a)	(a)	(a)

\*The collections to date information is as of December 31, 2017.

(a) Data not available at the date of issuance of this report.

Data Source

Office of the County Clerk

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**RATIOS OF OUTSTANDING DEBT BY TYPE**

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities				Business-Type Activities		Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	General Obligation Alternate Revenue Source Bonds	Unamortized Premium	Installment Notes Payable	Alternate Revenue Source Bonds	IEPA Loans Payable			
2008	\$ 2,780,000	\$ 3,140,000	\$ 19,995	\$ 400,000	\$ 3,335,000	\$ 688,967	\$ 10,363,962	1.51%	\$ 815.71
2009	5,885,000	2,705,000	16,693	347,300	2,990,000	650,787	12,594,780	1.77%	969.41
2010	5,505,000	2,255,000	13,709	293,300	2,625,000	611,619	11,303,628	1.53%	870.13
2011	5,000,000	1,965,000	11,056	238,000	2,245,000	2,322,855	11,781,911	1.60%	907.19
2012	7,695,000	1,725,000	62,158	741,200	1,960,000	7,413,480	19,596,838	2.54%	1,505.56
2013	7,110,000	1,385,000	53,918	626,700	1,555,000	8,568,799	19,299,417	2.50%	1,483.28
2014	6,515,000	1,045,000	46,222	510,300	1,155,000	8,895,748	18,167,270	2.27%	1,400.17
2015	7,030,000	3,705,000	305,666	392,000	960,000	8,458,987	20,851,653	2.60%	1,607.06
2016	6,405,000	3,355,000	260,496	651,000	770,000	8,011,452	19,452,948	2.43%	1,499.26
2017	10,295,000	3,000,000	296,699	560,000	585,000	7,557,698	22,294,397	2.46%	1,718.26

\* See the schedule of Demographic and Economic Information on page 129 for population and personal income data.

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

Data Source

Village Records

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Unamortized Premium</b>	<b>Less: Amounts Available In Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property*</b>	<b>Per Capita</b>
2008	\$ 2,780,000	\$ 19,995	\$ 110,934	\$ 2,689,061	0.43%	\$ 213.64
2009	5,885,000	16,693	65,778	5,835,915	0.79%	465.80
2010	5,505,000	13,709	130,429	5,388,280	0.70%	414.23
2011	5,000,000	11,056	153,633	4,857,423	0.62%	373.52
2012	7,695,000	62,158	193,289	7,563,869	1.18%	578.17
2013	7,110,000	53,918	220,314	6,943,604	1.16%	531.00
2014	6,515,000	46,222	255,406	6,305,816	1.11%	482.43
2015	7,030,000	305,666	250,955	7,084,711	1.19%	546.03
2016	6,405,000	260,496	176,064	6,489,432	1.11%	500.15
2017	10,295,000	296,699	211,377	10,380,322	1.67%	800.02

\*See the schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 119 for property value data.

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

Data Sources

Village Records and Office of the County Clerk

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (1)**

December 31, 2017

<b>Governmental Unit</b>	<b>Outstanding Debt (2)</b>	<b>Percentage Debt Applicable to the Village (3)</b>	<b>The Village Share of Debt</b>
Village	\$ 14,151,699	100.00%	\$ 14,151,699
<b>Schools</b>			
School District #101	20,575,000	99.90%	20,554,425
School District #102	29,502,684	0.04%	11,801
School District #106	1,800,000	36.62%	659,160
Lyons Township High School District #204	13,710,000	22.16%	3,038,136
DuPage County Community College District #502	227,460,000	1.53%	3,480,138
Total Schools	<u>293,047,684</u>		<u>27,743,660</u>
<b>Other</b>			
Cook County	3,092,046,750	0.43%	13,295,801
Cook County Forest Preserve District	149,290,000	0.43%	641,947
Metropolitan Water Reclamation District of Greater Chicago	2,480,560,091	0.44%	10,914,464
Western Springs Park District	1,880,000	100.00%	1,880,000
Total Other	<u>5,723,776,841</u>		<u>26,732,212</u>
Total Overlapping Debt	<u>6,016,824,525</u>		<u>54,475,872</u>
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>	<u><u>\$ 6,030,976,224</u></u>		<u><u>\$ 68,627,571</u></u>

Notes:

- (1) Data Source: Cook County Clerk
- (2) As of January 2017
- (3) Percentage based on 2016 EAV's, the last available

VILLAGE OF WESTERN SPRINGS, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
Debt Limit	\$ 53,454,103	\$ 50,482,543	\$ 51,331,160	\$ 48,589,502	\$ 51,272,092	\$ 54,886,919	\$ 67,387,494	\$ 66,115,894	\$ 63,139,695	\$ 53,863,403
Total Net Debt Applicable to Limit	10,295,000	6,405,000	7,030,000	6,515,000	7,110,000	7,695,000	5,238,000	5,505,000	5,885,000	2,780,000
<b>LEGAL DEBT MARGIN</b>	<b>\$ 43,159,103</b>	<b>\$ 44,077,543</b>	<b>\$ 44,301,160</b>	<b>\$ 42,074,502</b>	<b>\$ 44,162,092</b>	<b>\$ 47,191,919</b>	<b>\$ 62,149,494</b>	<b>\$ 60,610,894</b>	<b>\$ 57,254,695</b>	<b>\$ 51,083,403</b>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.26%	12.69%	13.70%	13.41%	13.87%	14.02%	7.77%	8.33%	9.32%	5.16%
Legal Debt Margin Calculation for Fiscal 2015										
Equalized Assessed Value (2016 Levy Year)	\$ 619,757,713									
Legal Debt Margin	<u>8.625%</u>									
Debt Limit	53,454,103									
Debt Applicable to Limit General Obligation Bonds	<u>10,295,000</u>									
<b>LEGAL DEBT MARGIN</b>	<b><u>\$ 43,159,103</u></b>									

Data Sources

Village Financial Statements and Office of the County Clerk

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

PLEDGED-REVENUE COVERAGE  
GOVERNMENTAL ACTIVITIES

Last Ten Fiscal Years

2003B						2003C and 2003D						
Fiscal Year	(A) Utility Revenue	Net Available Revenue	Debt Service		Coverage	Fiscal Year	(B) Recreation Revenues	Net Available Revenue	Debt Service		Coverage	
			Principal	Interest					Principal	Interest		
2008	\$ 738,836	\$ 738,836	\$ 260,000	\$ 102,350	\$ 2.04	2008	\$ 1,032,072	\$ 1,032,072	\$ 155,000	\$ 16,482	\$ 6.02	
2009	619,878	619,878	270,000	95,070	1.70	2009	1,054,332	1,054,332	165,000	11,820	5.96	
2010	642,838	642,838	280,000	87,510	1.75	2010	1,080,370	1,080,370	170,000	6,325	6.13	
2011	630,775	630,775	290,000	79,110	1.71	2011	N/A	N/A	N/A	N/A	N/A	
2012	565,353	565,353	45,000	10,553	10.18	2012	N/A	N/A	N/A	N/A	N/A	
2013	602,322	602,322	340,000	19,060	1.68	2013	N/A	N/A	N/A	N/A	N/A	
2014	681,343	681,343	340,000	16,850	1.91	2014	N/A	N/A	N/A	N/A	N/A	
			<b>2012A</b>				2015	N/A	N/A	N/A	N/A	N/A
2015	573,866	573,866	340,000	13,790	1.62	2016	N/A	N/A	N/A	N/A	N/A	
2016	558,801	558,801	350,000	10,050	1.55	2017	N/A	N/A	N/A	N/A	N/A	
2017	570,747	570,747	355,000	5,325	1.58							

(A) This bond issue is being repaid by gas and electric utilities.

(B) These bond issues are being repaid by recreational program fees, recreational building rents and other recreational revenues.

N/A - Not applicable as the bonds were paid off as of December 31, 2010.

Note: Details of the Village's outstanding debt can be found in the notes to financial statements. Operating expenses do not include interest or depreciation.

Data Source

Village Financial Statements

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**PLEDGED-REVENUE COVERAGE  
BUSINESS-TYPE ACTIVITIES**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Business-Type Activity Bonds and IEPA Loan</b>						<b>Coverage</b>
	<b>Alternate Revenue Sources</b>	<b>Less Operating Expenses</b>	<b>Net Available Revenue</b>	<b>Debt Service</b>			
				<b>Principal</b>	<b>Interest</b>		
2008	\$ 2,468,254	\$ 2,342,694	\$ 125,560	\$ 372,217	\$ 168,582	0.23	
2009	2,710,189	2,243,083	467,106	383,180	155,744	0.87	
2010	2,880,626	2,161,098	719,528	404,168	141,136	1.32	
2011	3,057,254	2,111,028	946,226	420,181	110,950	1.78	
2012	3,205,367	2,107,520	1,097,847	251,219	42,658	3.74	
2013	3,105,201	2,275,743	829,458	247,286	27,732	3.02	
2014	3,264,560	2,331,140	933,420	243,379	19,463	3.55	
2015	3,158,839	2,783,659	375,180	631,762	133,296	0.49	
2016	3,484,891	2,802,036	682,855	637,534	127,578	0.89	
2017	4,287,687	2,796,747	1,490,940	638,754	117,371	1.97	

Note: Details of the Village's outstanding debt can be found in the notes to financial statements. Operating expenses do not include interest or depreciation.

Data Source

Village Financial Statements

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**DEMOGRAPHIC AND ECONOMIC INFORMATION**

Last Ten Fiscal Years

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<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income*</b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate**</b>
2008	12,493	\$ 545,936,607	\$ 43,699	2.3%
2009	12,681	685,953,151	54,093	3.9%
2010	12,975	712,418,325	54,907	N/A
2011	12,975	714,818,700	55,092	3.9%
2012	12,975	737,914,200	56,872	3.4%
2013	12,975	769,313,700	59,292	N/A
2014	12,975	769,313,700	59,292	3.8%
2015	12,975	801,725,250	61,790	4.1%
2016	12,975	905,961,661	69,824	4.4%
2017	12,975	905,961,661	69,824	N/A

N/A - Information not available

Data Source

Village Records

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2017 (a)			2008 (b)		
Employer	Number	Percentage of Total Village Employment	Employer	Number	Percentage of Total Village Employment
Lyons Township High School District 204	300	N/A	Lyons Township High School District 204	300	N/A
School District #101	123	N/A	Dominick's	130	N/A
Village of Western Springs	65	N/A	School District 101	106	N/A
St. John of the Cross School and Parish	63	N/A	St. John of the Cross and Parish	94	N/A
Planet Forward, LLC	40	N/A	Village of Western Springs	75	N/A
Walgreen's	37	N/A	Community Bank of Western Springs	32	N/A
Mariano's	34	N/A	Harris Bank	21	N/A
ReMax Properties, Inc.	30	N/A	National City Bank	15	N/A
Casey's Food Market	17	N/A	Dixon Realty	15	N/A
Salerno's Pizzeria	16	N/A	Carlson Wagon Travel	10	N/A

N/A - Information not available

Data Sources

(a) 2017 Illinois Services Directory and a selective telephone survey.

(b) 2008 Illinois Manufacturers Directory, 2008 Illinois Services Directory and a selective telephone survey.

**VILLAGE OF WESTERN SPRINGS, ILLINOIS**

**FULL-TIME EQUIVALENT EMPLOYEES**

Last Ten Fiscal Years

<b>Function/Program</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>GENERAL GOVERNMENT</b>										
Legislative	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400
Executive	5.100	5.100	5.100	5.100	4.800	4.180	4.180	4.180	3.850	4.250
Finance	4.800	4.800	4.800	4.800	4.800	4.720	4.720	4.720	4.720	4.720
Community Development	3.330	3.330	3.330	3.330	3.330	3.330	3.330	3.330	4.000	4.000
<b>PUBLIC SAFETY</b>										
Police										
Officers	21.00	21.00	20.00	20.00	20.00	20.00	21.00	21.00	21.00	21.00
Civilians	2.50	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
Parking Enforcement/Ordinance Control	1.00	5.00	5.00	5.00	5.50	5.50	6.00	7.00	7.00	8.00
Fire										
Firefighters and Officers	4.80	4.80	4.80	4.80	4.00	3.50	3.00	3.00	3.00	3.00
Paid on Call*	49.00	49.00	49.00	48.00	50.00	50.00	50.00	46.00	48.00	50.00
Emergency Services and Disaster Agency	-	-	-	-	-	-	-	-	0.50	0.50
<b>MUNICIPAL SERVICES</b>										
Administration	4.30	4.30	4.30	3.33	3.33	3.33	3.33	4.33	4.00	4.00
Public Right of Way Maintenance	10.00	9.00	9.00	10.00	10.00	10.00	14.00	14.00	14.00	15.00
Vehicle and Equipment Maintenance	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Forestry	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water	4.00	4.00	4.00	4.00	4.00	4.00	-	-	-	-
Recreation	4.00	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
<b>TOTAL</b>	<b>116.23</b>	<b>118.03</b>	<b>117.03</b>	<b>116.06</b>	<b>117.46</b>	<b>116.26</b>	<b>117.26</b>	<b>115.26</b>	<b>117.77</b>	<b>122.17</b>

\* Part-time positions - hours vary depending on the number of calls.

Data Source

Village Budget Office

VILLAGE OF WESTERN SPRINGS, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>PUBLIC SAFETY</b>										
Police										
Physical Arrests	89	64	96	161	190	114	157	186	226	217
Parking Violations	2,742	2,102	1,337	1,627	1,609	1,638	1,811	1,725	1,907	2,950
Traffic Violations	3,557	2,215	3,301	4,111	4,794	4,383	4,113	3,915	4,575	4,480
Fire										
Fire Emergency Responses	443	435	471	534	628	581	786	855	701	763
Structural Fires Extinguished	26	9	8	4	14	23	29	43	42	39
Other Fires Extinguished	8	10	5	8	5	27	6	16	N/A	5
EMS Emergency Responses	696	637	663	643	1,061	948	910	941	1,069	735
E-911*										
Calls Answered	0	3,535	3,948	4,041	3,696	3,856	3,930	3,752	3,604	3,283
Inspectional Services										
Inspections	3,491	3,468	3,477	3,152	2,269	1,870	1,857	1,866	2,210	3,107
Permits Issued	62	75	96	79	108	46	29	34	25	46
Value of Construction Authorized	\$ 33,469,208	\$ 27,452,596	\$ 39,416,070	\$ 33,889,990	\$ 28,722,141	\$ 15,832,940	\$ 9,247,645	\$ 12,163,805	\$ 8,412,200	\$ 15,148,020
<b>MUNICIPAL SERVICES</b>										
Pothole Repairs (Tons)	151.26	114.90	103.58	144.52	99.20	103.00	103.00	58.00	98.00	112.00
Population Serviced (Estimated)	12,975	12,975	12,975	12,975	12,975	12,975	12,975	12,530	12,530	12,530
<b>WATER (See SOA)</b>										
Water Main Breaks	40	46	49	71	111	65	18	18	23	25
Number of Accounts	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485
Total Annual Consumption (Thousand/Gals)	326,070	303,534	310,062	310,541	340,173	360,780	339,861	347,585	354,049	353,280
Average Daily Consumption (Thousand/Gals)	1,729	1,753	1,797	1,567	1,810	1,355	1,355	1,366	1,475	968
Peak Daily Consumption (Thousand/Gals)	2,293	2,614	2,725	2,610	2,683	2,893	2,771	2,234	2,584	1,450
<b>RECREATION FACILITIES</b>										
Number of Participants Enrolled	36,991	35,407	33,025	33,005	32,505	32,308	32,698	31,225	32,488	32,814
<b>LIBRARY SERVICES</b>										
Number of Resident Borrowers	7,667	8,340	6,910	8,703	9,489	9,494	6,518	9,074	8,931	9,821
Number of Program Attendees	13,574	13,650	13,765	13,722	12,429	11,749	8,114	7,795	7,017	6,404
Number of Annual Visitors	129,734	126,539	127,660	128,891	132,650	134,775	126,338	127,135	123,562	127,241
Circulation	234,178	210,195	251,126	252,848	252,848	238,480	230,994	230,235	214,755	200,784
Number of Subscriptions	153	146	146	175	175	225	245	266	298	328
Number of Books Owned	71,864	70,622	75,421	77,135	75,139	75,615	75,090	76,607	75,996	74,259
E-Books	280,110	209,628	41,706	21,904	18,180	9,493	7,307	N/A	N/A	N/A

N/A - Information not available

Data Source

Various Village Departments

VILLAGE OF WESTERN SPRINGS, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>PUBLIC SAFETY</b>										
Police										
Patrol Units	12	13	13	13	13	13	13	13	13	13
Fire										
Fire Stations	2	2	2	2	2	2	2	1	1	1
Fire Engines	2	3	3	3	3	3	4	4	4	4
Ladder Truck	1	1	1	1	1	1	-	-	-	-
Ambulances	2	2	2	2	2	2	2	2	2	2
<b>MUNICIPAL SERVICES</b>										
Streets	46	46	46	46	46	46	46	46	46	46
Alleys	1	1	1	1	1	1	1	1	1	1
Streetlights	438	438	438	438	438	438	438	438	438	438
<b>WATER</b>										
Water Mains (Miles)	43.53	43.53	43.53	43.53	43.53	43.53	43.53	43.53	43.53	43.53
Fire Hydrants	430	430	430	430	430	430	430	430	430	430
Storage Capacity (Gallons)	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Number of Metered Accounts	4,485	4,485	4,485	4,485	4,485	4,485	4,480	4,480	4,300	4,300
Area (Square Miles)	2.72	2.72	2.72	2.72	2.72	2.72	2.72	2.72	2.72	2.72
Recreation Facilities	2	2	2	2	2	2	2	2	2	2
Number of Parks and Playgrounds	13	13	13	13	13	13	13	13	11	11
Park Area (Acres)	90	90	90	90	90	90	90	90	87	87
<b>LIBRARY SERVICES</b>										
Number of Books	71,864	70,622	75,421	77,135	75,139	75,615	75,090	76,607	75,996	74,259
Number of Audio Visual Items	8,842	9,786	9,759	14,141	14,141	10,759	9,935	7,473	7,095	6,612
Number of Periodicals	153	146	146	175	175	225	245	266	298	342
Number of E-Books	280,110	209,628	41,706	21,904	18,180	9,493	7,307	N/A	N/A	N/A

N/A - Information not available

Data Source

Various Village Departments