

Comprehensive Annual
Financial Report



Village of
Western Springs, Illinois

For the Year Ended
December 31, 2018

VILLAGE OF WESTERN SPRINGS, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2018

Prepared by the Finance Department

Grace Turi

Director of Finance

VILLAGE OF WESTERN SPRINGS, ILLINOIS
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INTRODUCTORY SECTION

VILLAGE OF WESTERN SPRINGS, ILLINOIS

LIST OF VILLAGE OFFICIALS

December 31, 2018

ELECTED OFFICIALS

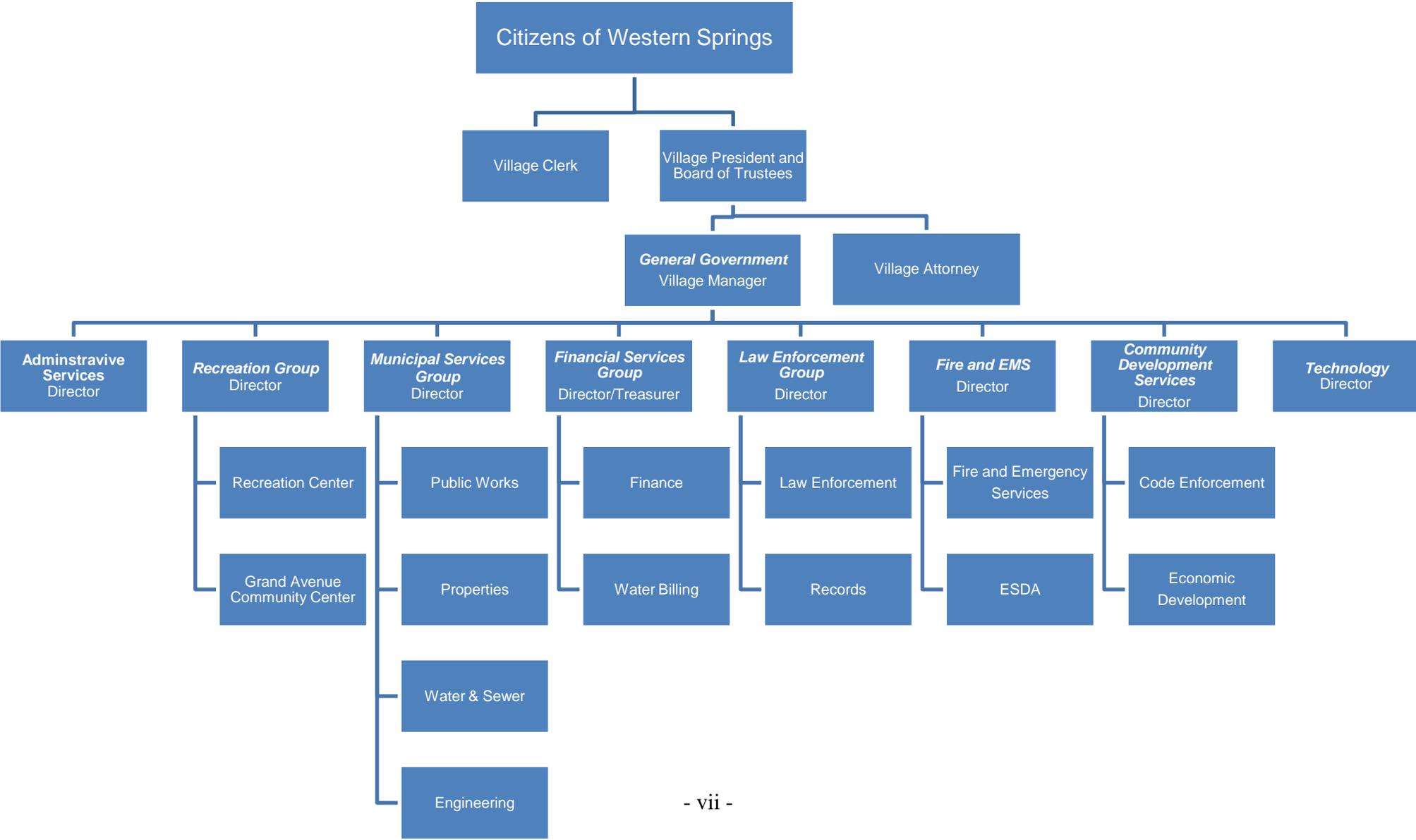
Village President	Alice Gallagher
Village Trustee	Berry Allen
Village Trustee	Sheila Hansen
Village Trustee	Heidi Rudolph
Village Trustee	William P. Siffermann
Village Trustee	Edward Tymick
Village Trustee	James Tyrrell
Village Clerk	Bridget McMahon Fitzgerald

APPOINTED OFFICIALS

Village Manager	Ingrid Velkme
Village Attorney	Klein, Thorpe & Jenkins, Ltd.
Director of Finance/Treasurer	Grace Turi
Director of Fire and Emergency Services	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, 2017

Christopher P. Morrill

Executive Director/CEO

VILLAGE *of* WESTERN SPRINGS



740 HILLGROVE AVENUE | WESTERN SPRINGS, IL 60558-1478 | www.wsprings.com

June 28, 2019

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

PRESIDENT

Alice Gallagher

TRUSTEES

Heidi Rudolph

William Siffermann

James Tyrrell

Nicole Chen

Alan Fink

James John

The Comprehensive Annual Financial Report of the Village of Western Springs, Illinois, for the fiscal year ended December 31, 2018, 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

James Horvath

MANAGER

Ingrid Velkme

DIRECTORS

Grace Turi

Pat Schramm

Martin Scott

Matthew Supert

Patrick Kenny

Brian Budds

Ellen Baer

Aleks Briedis

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.

IX

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 and a separate park district overseeing the park lands. 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 Water 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 assets. Fortunately, the Village's housing market has experienced steady appreciation. According to Zillow, the median home price will increase 3.1% in the next year, with a home price of \$610,400. There were 26 teardowns in 2018, compared to 28 in 2017, the Timber Trails subdivision added 13 townhomes.

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 2017 levy for property taxes (collected in 2018) was limited to a 2.1% (CPI cap) increase over the 2016 levy. Approximately 20% of the entire levy was allocated to the Police Pension Fund.

The history of LGDF goes back to 1969, and was the result of a compromise between the Governor's proposed income tax initiatives and local governments. In exchange for 1/12th 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". However, 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%. While income tax receipts from the LGDF have been consistent over the last several years, this last change resulted in a 5% reduction in the FY 2018 collections, and it is expected that the Village will continue to receive 95% of the FY 2017 distribution level. Raising the distribution to 100% would generate an additional \$69,000. Additionally, the State also implemented a 1.5% 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 2.9% higher in FY 2018 than in FY 2017 and 5.7% higher than in FY 2016. Sales tax collection increased by 39.1% since 2010. Even though vacancies are at a record low, the Village is evaluating the creation of a second Tax Increment Finance District appropriately named "Downtown North TIF Redevelopment and Plan and Project" to complement the recently established Downtown South TIF district.

The Village continues to monitor the condition of the State of Illinois' finances. It is clear from the rating agencies that the State's fiscal issues negatively impact local government's bond ratings. The election of a new governor has brought a spate of different ideas to balancing the State's budget, including legalizing recreational cannabis and sports betting. The House and Senate recently passed a measure by three-fifths seeking voter approval to eliminate the Illinois Constitution flat tax requirement and replace it with a proposal to shift to a progressive (graduated) tax, which imposes increasingly higher taxes on those individuals or businesses earning more. The new tax proposal will appear on the November 2020 ballot. These proposed measures are intended to offset the annual deficit of \$7 to \$9 billion dollars, address the unfunded liabilities for retiree healthcare costs, and unfunded liabilities of the State's five pension plans. These proposals face much opposition and are a long way from providing relief.

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 the police pension. As a tax-capped community, it is fiscally impossible to provide the necessary pension contributions without directly negatively impacting the Village's services. Annual increases in excess of 10% resulting from inadequate market returns and more conservative mortality assumptions 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 over 3 miles of major street

reconstructions. Unfortunately, there are many miles of remaining roadway that will need to be addressed in the next twenty years, at an untold cost with no identified funding source.

A third area of concern continues to be 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. Essential to preserving the integrity of the water supply is the construction of a third deep well (Well #5) which will build redundancy into the water source system, so that the one remaining shallow well can be capped off. The construction of Well #5, funded by an IEPA loan, is scheduled to start in late summer 2019. The Village will also work on water main replacement on Clausen Avenue starting in 2019, which is also funded by an IEPA loan.

Lastly, there is concern of the potential stagnation of the housing market. The Village's housing stock is an invaluable asset that attracts many from all over the Chicago metro area. Western Springs is a stable community, with over 95% of homes categorized as single family, owner occupied residents. Housing values are steadily climbing with a 20.6% increase in median sale price since 2016. Teardowns (houses rebuilt after 1970) represent approximately 30% of the total homes in Western Springs. Consequently, building permits represent a critical revenue source, and 2018 activity remained strong. Permits generated from teardowns and additions and the Timber Trails subdivision accounted for 6.75% of the General Fund revenue, which is consistent with the prior year. However, there are concerns about the stability of the economy. The possibility of global economic slowdown stemming from raising interest rates, trade policies, and a Federal budget stalemate, could result in a stalled housing market.

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 has maintained a stable financial position, allowing the General Fund to end with operating surpluses in the last nine 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 whose purpose is to provide a source for matching grants, emergencies, or unfunded capital projects.

Major Initiatives

The Village of Western Springs' goal in FY 2018 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 2018 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. The 2018 roadway rehabilitation projects were

funded by a portion of the General Obligation Referendum, Series 2017 Bonds and included the concrete reconstruction of Johnson Avenue (Burlington Avenue to 47th Street) and Lawn Avenue (Burlington Avenue to Elm Street). Starting in 2019, the Village will commence on the complete rehabilitation of Clausen Avenue (Ogden Avenue to Hillgrove Avenue) using bond proceeds and IEPA loan proceeds. This two-year program will reconstruct the street and replace the 4-inch water main with 8-inch water main which will improve fire protection capacity. The street reconstruction projects extend the useful life to over 50 years.

- **Water System Maintenance:** The Village's water system is self-reliant and uses the Village's own water source, which is treated through a reverse osmosis process. It was determined the construction of Well #5 would preserve the water system and build redundancy. The proposed funding for Well #5 is a low-interest IEPA loan and the project is scheduled to start in 2019.
- **East Railroad Platform:** The reconstruction of the north and south sides of the railroad tracks from Wolf Road to Lawn Avenue was substantially completed in 2018. This project was the last phase of the total reconstruction of the downtown commuter station and serves as the template of the Village's downtown streetscape. The Village awaits the full splendor of the new vegetation planted in the fall of 2018 along the new path.
- **Foxford Station Development:** The downtown redevelopment plan includes the Foxford Station Development, which will be located at the southeast corner of Wolf Road and Burlington Avenue. The development includes mixed-use commercial and 28 high-end dwelling units in a tax increment financing district. Construction is projected to be completed in late 2019.
- **West Pedestrian Underpass:** The Village has received grants to fund a west side underpass, similar to the Lipinski Underpass at Clausen Avenue. The intent is to replace the at-grade crossing at Central Avenue, with a much safer and pedestrian friendly alternative underpass at Prospect Avenue. The construction will occur concurrently with the BNSF railroad bridge work.
- **Illinois Tollway:** The Illinois Tollway (Tollway) is embarking on a major expansion of Interstate 294 (Tri-State Tollway) which borders the western edge of the Village. It is coordinating expansion plans with the Village and 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, estimated to start in the fall of 2019, will take approximately two years to complete and it is anticipated that 75 parking spots will be displaced during the multi-year project. To address the inconvenience the residents will be experiencing the Tollway will be providing infrastructure improvements in the area of construction.

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, 2017.

This was the twenty-fourth 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, 2018, 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, 2018, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 2018, 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, 2018, 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.

Change in Accounting Principle

The Village adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources and expenses; and modified certain disclosures in the notes to financial statements and the required supplementary information as discussed in Note 11 to the basic financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and 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.

Supplementary Information

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements. We issued our report thereon dated June 25, 2019, which expressed unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The accompanying Consolidated Year-End Financial Report is presented for purposes of additional analysis, as required by the Illinois Grant Accountability and Transparency Act, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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 25, 2019

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2018

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 an 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 and Burlington Northern Parking 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 inter-fund 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).

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

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.

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, 2018

	Governmental Activities 2018	Governmental Activities 2017	Business Type Activities 2018	Business Type Activities 2017	Total Primary Government 2018	Total Primary Government 2017
Current and other assets	\$26,195,570	\$24,281,626	\$2,110,549	\$2,121,600	\$28,306,119	\$26,403,226
Capital assets	80,907,967	80,184,491	15,906,674	15,615,619	96,814,641	95,800,110
Subtotal	107,103,537	104,466,117	18,017,223	17,737,219	125,120,760	122,203,336
Deferred outflows of resources	2,917,400	3,259,855	203,465	577,968	3,120,865	3,837,823
Total Assets and Outflows	\$110,020,937	\$107,725,972	\$18,220,688	\$18,315,187	\$128,241,625	\$126,041,159
Long-term liabilities	30,509,897	28,471,117	7,802,934	8,490,686	38,312,831	36,961,803
Other liabilities	5,371,492	4,659,080	1,162,861	1,221,479	6,534,353	5,880,559
Subtotal	35,881,389	33,130,197	8,965,795	9,712,165	44,847,184	42,842,362
Deferred inflows of resources	7,995,525	7,314,892	536,419	164,967	8,531,944	7,479,859
Total Liabilities and Inflows	\$43,876,914	\$40,445,089	\$9,502,214	\$9,877,132	\$53,379,128	\$50,322,221
Net Position:						
Net investment in capital assets	70,924,158	69,189,177	8,085,899	7,481,302	79,010,057	76,670,479
Restricted	3,384,764	4,761,522	0	0	3,384,764	4,761,522
Unrestricted (Deficit)	(8,164,899)	(6,669,816)	632,575	956,753	(7,532,324)	(5,713,063)
Total Net Position	\$66,144,023	\$67,280,883	\$8,718,474	\$8,438,055	\$74,862,497	\$75,718,938

The net position of the Village's governmental activities, a useful indicator of a government's financial position, was \$66,144,023. The Village's combined net position, which represents the Village's bottom line, decreased by \$1,136,860 or 1.69% in FY 2018. 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 22% from the prior year. The reduction in net position is primarily due to a change in accounting principle. The Village adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The change resulted in a restated net position that lowered the net position by \$1,027,874.

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

Also contributing to the increased deficit is the reduction of fund balances in three funds. The Capital Improvement Fund ended the year with a reduction in fund balance once again. Since the only source of revenue in this fund is a small property tax, a promissory note was issued to purchase five pieces of heavy equipment including an ambulance and dump trucks. The other capital items were funded by the remaining balance of the Series 2015B.

The Recreation Fund also ended the year with a reduction in its reserves with the completion of another major capital project in 2018. The Recreation Fund will continue to make major capital improvements to the Recreation Center and the Grand Avenue Community Center which are ageing and require significant investment as the mechanical components of the buildings have reached the end of their useful life.

The Roadway Construction Fund reduced its fund balance with the reconstruction of Johnson Avenue (Burlington Avenue to 47th Street) and Lawn Avenue (Burlington Avenue to Elm Street) which was funded with the Series 2017 Bond proceeds. It is projected that the bond issue will support the 2019 through 2020 constructions seasons.

The Special Purpose Reserve Fund increased its fund balance by \$264,906 with a transfer from the General Fund's excess reserves. It is projected that another transfer will be made in 2019.

The net position of business-type activities was \$8,718,474. The increase in unrestricted net position in business-type activities is due to the net results of operation in the Water and Sewerage Fund. The Water and Sewerage Fund ended the year with an operating income after depreciation of \$744,752. The income is a result of a full year of the 2017 water and sewer rate increase and the deferral of Ridgewood Oaks capital project. 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 decreased in 2018. The Village made significant progress toward the completion of the rehabilitation of the Burlington Northern east platform; a project funded through the Transportation Equity Act: A Legacy for Users. The end results has provided additional pedestrian streetscape elements which will model the downtown redevelopment plan.

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.

(See independent auditor's report)

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

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 2018 roadway program was funded with proceeds from General Obligation Bonds, Series 2017. The 2018 projects were considered as reconstruction, and included a concrete reconstruction of Johnson Avenue (Burlington Avenue to 47th Street) and Lawn Avenue (Burlington Avenue to Elm Street).

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).

A major infrastructure project that will directly impact the Village is the I-294 rehabilitation and reconstruction of the Central Tri-State Tollway. The project includes the widening of the I-294 corridor up to fourteen lanes and multiple bridge reconstructions. Western Springs is immediately adjacent to the Illinois Tollway and this project will impact the entire western border of the Village.

Prior to the mainline I-294 construction in this area, the Illinois Tollway will remove the existing Burlington Northern Santa Fe (BNSF) Bridge that crosses into Western Springs. A temporary bridge with three tracks, called a shoo-fly, will be built for the use of all rail traffic during construction. This work will be done on the south side of the tracks adjacent to Spring Rock Park. Beneath the rail bridge the road will be widened to accommodate up to fourteen lanes on I-294. A permanent bridge will be rebuilt over the widened lanes. The BNSF intends to keep one of the tracks for temporary storage of maintenance equipment. The main line work will also necessitate the removal of the existing pedestrian bridge at Maple Street. This project is expected to be completed by 2021.

The Village is also working on the construction of another pedestrian underpass slightly west of the current at-grade crossing that it would replace – a location that will be highly utilized by commuters. The second underpass will specifically serve the Metra commuters. Construction of the underpass is anticipated to begin during the fall of 2019 when the Illinois Tollway begins reconstruction of the shoo-fly railway bridge over I-294. The underpass construction must occur concurrently with the BNSF Bridge in order to maximize benefit. There are several funding sources for the underpass; a Surface Transportation Grant through the Central Council of Mayors, a Metra grant, an Invest in Cook grant and an ICC grant.

Water and Sewer Projects

As with any mature community, a primary concern is aging infrastructure. Approximately half of the Village's 52 miles 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. To that end, the Village established a capital maintenance fee in 2017 that would be used specifically for water and sewer projects that were related to roadway reconstruction.

A key water project that the Village is initiating in 2019 is the construction of Well #5, a deep well. Since daily demand cannot be met from Well #3 or Well #4 (individually) output, the Village determined that the construction of Well #5 would provide the required redundancy. The water from Well #5 will be comparable to the existing Well #3 and Well #4, as it will draw from the same aquifer. The Village is anticipating pumping its first gallon of water in January 2020.

The Village secured a low-interest rate loan 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 48th Street standpipe, and the Spring Rock Park elevated tank. It is anticipated that work on the tanks will commence in 2019.

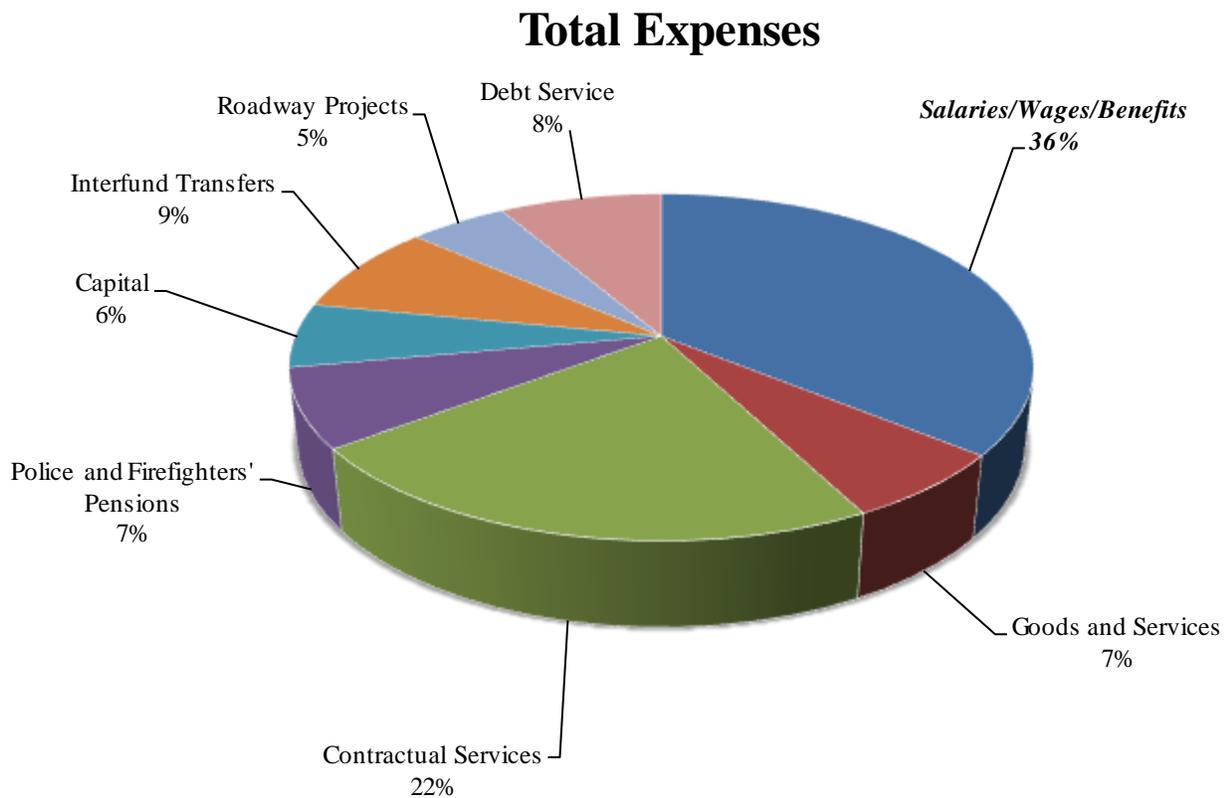
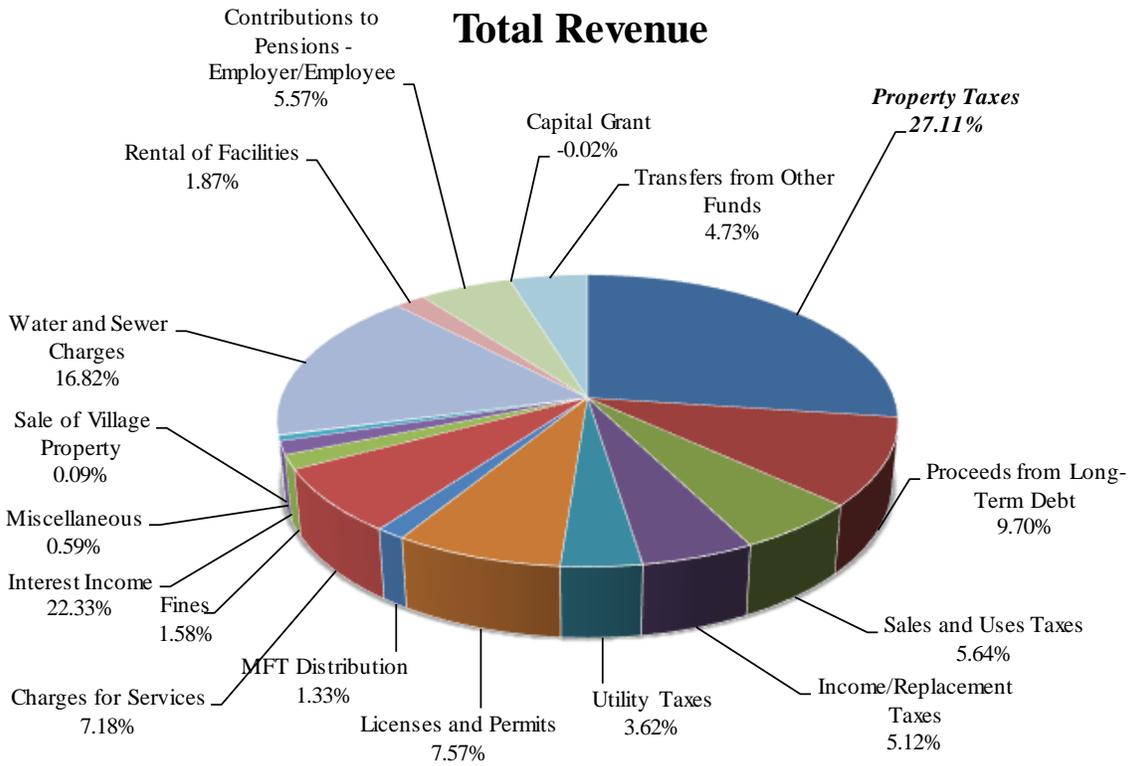
VILLAGE OF WESTERN SPRINGS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Table 2
Changes in Net Position
For Fiscal Year Ended December 31, 2018

	Governmental Activities 2018	Governmental Activities 2017	Business Type Activities 2018	Business Type Activities 2017	Total Primary Government 2018	Total Primary Government 2017
REVENUES						
Program Revenues:						
Charges for services	\$3,466,661	\$3,384,279	\$4,295,175	\$4,313,509	\$7,761,836	\$7,697,788
Operating grants and contributions	401,194	407,121	0	492,326	401,194	899,447
Capital grants and contributions	3,374	34,862	0	0	3,374	34,862
General Revenues:						
Property taxes	6,655,617	6,064,042	118,371	107,761	6,773,988	6,171,803
Other taxes	2,317,210	2,216,004	0	0	2,317,210	2,216,004
Other	2,422,322	2,424,343	48,296	48,822	2,470,618	2,473,165
Total Revenues	15,266,378	14,530,651	4,461,842	4,962,418	19,728,220	19,493,069
EXPENSES						
General Government	2,149,637	2,634,147	0	0	2,149,637	2,634,147
Public Safety	8,097,599	7,596,882	0	0	8,097,599	7,596,882
Municipal Services	3,040,344	2,794,550	0	0	3,040,344	2,794,550
Culture and Recreation	1,593,323	1,605,453	0	0	1,593,323	1,605,453
Economic Development	2,445	4,648	0	0	2,445	4,648
Interest	392,016	415,792	0	0	392,016	415,792
Water and Sewer	0	0	3,492,842	3,668,216	3,492,842	3,668,216
Parking	0	0	469,770	652,391	469,770	652,391
E 911	0	0	0	150,331	0	150,331
Total Expenses	15,275,364	15,051,472	3,962,612	4,470,938	19,237,976	19,522,410
Excess/(Deficiency)	(8,986)	(520,821)	499,230	491,480	490,244	(29,341)
Transfers In (Out)	(100,000)	(1,446,391)	100,000	1,446,391	0	0
Changes in Net Position	(108,986)	(1,967,212)	599,230	1,937,871	490,244	(29,341)
Net Position, January 1	67,280,883	69,248,095	8,438,055	6,500,184	75,718,938	75,748,279
Change In Accounting Principle	(1,027,874)		(318,811)		(1,346,685)	0
Net Position, January 1, Restated	66,253,009		8,119,244		74,372,253	75,748,279
Net Position, December 31	\$66,144,023	\$67,280,883	\$8,718,474	\$8,438,055	\$74,862,497	\$75,718,938

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

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



(See independent auditor's report)
 MD&A 8

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 2018 revenue projections were consistent with prior years even as the economy grew only 2.2% in 2018. 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 \$6,773,988 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 3,856,389, representing 34.14% of the total Governmental Fund's revenue, which is higher

(See independent auditor's report)

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

than the previous year. Total General Fund revenue for FY 2018 realized modest growth with a 2.89% increase over the prior year. Sales and local use taxes receipts were 5.5% higher than the previous year, which continues the upward trend experienced over the last three year; since 2015 sales tax revenue increased by 15.5%. Strong sales in grocery and internet transactions and the addition of several restaurants factored in the very favorable advancement. The building permit revenue received in 2018 with emphasis on permits issued for teardowns and building improvements were approximately 7% higher than the previous year. Also adding to the strength of the General Fund is the collection of fines, both ordinance and photo enforcement. The Village collected an additional 21% in 2018.

The Village share of the Local Government Distributive Fund was 4% more than the previous year, which can be only attributed to a solid economy. Local government's previous allocation of 10% has not been reinstated and the State's 2019/2020 budget does not contemplate an adjustment.

Overall, based on the results outlined above, operations in the General Fund generated a positive change in net position adding to its funds balance. At year end the fund balance was 37.5% of the FY 2018 budgeted operating expenditures.

The total interest income earned in FY 2018 for all funds except the Police Pension fund was 190% higher than FY 2017. The increase is due to the rising interest rate; the Fed Funds Rate increased over 50% in 2018. As of December 2019, there are no additional increases anticipated. The Police Pension suffered a setback in the fourth quarter of 2018 with a market value decline of 8.74%, ending the year with negative 4.06% return on investment. The actuarial funding for the Police Pension Fund at December 31, 2019 decreased to 50.20% from 54.90%.

A water and sewer increase of \$2.00 per thousand gallons was included in the FY 2019 budget. The increase was the based on a 5-year capital plan and is to fund several capital projects, increasing operating costs and the establishment of reserve. The capital maintenance fee was also increased by 2.50 to \$7.50 per billing period. The rate will be evaluated annually to determine its adequacy.

Expenses

For the fiscal year ended December 31, 2018, expenses for governmental and business-type activities totaled \$15,275,364 and \$3,962,612 respectively. Overall, salaries, wages, and benefits were slightly lower than 2017. The decrease is due to overtime costs which 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. The Village incurred a 7.5% increase in its 2018 IMRF contribution rate. Health insurance costs increased by 4% as a result of plan cost increase and a change in demographics. 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 14.60% in FY 2018 and was based on an actuarial evaluation.

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

Operational expenses incurred in FY 2018 decreased 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 161 trees in 2018. The treatment program will be reduced in scope in FY 2020; removals will continue as required.

Another contributing factor to the decrease in overall operating expenses is the utilization of the interest credit that was applied to the risk pool annual contribution. The Village has periodically applied the interest credit to the annual contribution.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

For the fiscal year ended December 31, 2018, the governmental funds reflect a combined fund balance of \$13,782,360 as compared to \$14,401,479 at year-end FY 2017. The General Fund ended the year with a positive net change of \$1,045,389 before an operating transfer of \$343,303 to the Debt Service Fund to cover the annual debt service of the General Obligation Bonds, Series 2015A and a \$400,000 transfer to the Special Purpose reserve Fund. At year-end the fund balance of the General Fund represented 37% of the FY 2018 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. Western Springs continues to benefit from the expanding economy with strong building permits and sales tax receipts. The Village is well served with its demographics of a stable, established community. The Village's fiscal concerns continue to lie outside its borders and with the State of Illinois and more broadly, the Federal government. The State's financial difficulties are wide and deep, ranging from unyielding and unfunded pension to Medicaid liabilities. As of this writing, the Governor and the Legislation have passed a budget and included are several initiative to strengthen the revenue base. These initiatives include sports betting, casinos and legalizing recreational cannabis. The success of these initiative is to be determined. Unfortunately, the budget does not increase the reduced the allocation of the Local Government Distributive Fund (LGDF) to the pre-2017 percentage.

Table 3
General Fund Budgetary Highlights

General Fund	FY 2018 Original Budget	FY 2018 Amended Budget	Actual
Revenues			
Taxes	\$7,136,854	\$7,136,854	\$7,106,577
Licenses and Permits	1,534,525	1,534,525	1,612,231
Intergovernmental	1,285,276	1,285,276	1,388,941
Other	1,199,468	1,199,468	1,355,192
Total	\$11,156,123	\$11,156,123	\$11,462,941
Expenditures and Transfers			
General Government	(2,080,055)	(2,116,505)	(1,934,365)
Public Safety	(6,965,688)	(6,990,688)	(6,799,863)
Municipal Services	(1,734,315)	(1,784,315)	(1,683,324)
Transfers Out	(347,303)	(747,303)	(747,303)
Total	(\$11,127,361)	(\$11,638,811)	(\$11,164,855)
Net Change in Fund Balance	\$28,762	(\$482,688)	\$298,086

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 require some rehabilitation.

Roadway Construction Fund is used for roadway construction program and is supported general obligations bonds. The most recent issuance was the \$4.5 million General Obligation Referendum Bond, Series 2017. The authority for this bond issue was derived from a referendum approved by the residents in 2016 allowing for bonds in the amount of \$12 million. The issuance of the bonds are allocated over three issuances; Series 2017, Series 2019 and Series 2021. It is projected that each series 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.

The Capital Improvement Fund is utilized for the purchase of rolling stock for operations and building improvement of the Village Campus, excluding the Water Plant and the Recreation building. The fund is supported by a small property tax and limited tax bonds, when available, and other long term debt instruments.

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

Capital Assets

At the end of FY 2018, the Governmental Fund’s total net investment in a variety of capital assets and infrastructure totaled \$80,907,967 (see Notes to Financial Statements No.4). Assets supporting governmental activities increased slightly from FY 2017 with the purchase of an ambulance Highliner, two pick-up trucks, a dump truck, which were funded by a \$1 million promissory note issued in 2018, a roof replacement for the Recreation Center, and the reconstruction of portions of Johnson Avenue (Burlington Avenue to 47th Street) and Lawn Avenue (Burlington Avenue to Elm Street).

The Business-Type total net investment increased by \$291,055 mainly due to the purchase of a Vactor and the completion of the Rose and Garden Avenues project. The following schedule details the categories of capital assets.

Table 4
Capital Assets
Net of Accumulated Depreciation

	Governmental Activities		Business - Type Activities		Total	Total	Total %
	2018	2017	2018	2017	2018	2017	Change
Non-Depreciable Assets							
Land Right of Way	\$55,706,549	\$55,706,549	\$27,962	\$27,962	\$55,734,511	\$55,734,511	0.00%
Construction in Progress	0	0	663,389	399,122	\$663,389	\$399,122	39.84%
Other Capital Assets							
Infrastructure	17,205,674	16,746,200	0	0	17,205,674	16,746,200	2.67%
Buildings	6,121,813	6,157,085	1,421,290	1,527,408	7,543,103	7,684,493	-1.87%
Motor Equipment	1,753,330	1,471,469	0	0	1,753,330	1,471,469	16.08%
Furniture and Equipment	120,601	103,188	0	0	120,601	103,188	14.44%
Vehicles and Equipment	0	0	883,090	517,830	883,090	517,830	41.36%
Land Improvements	0	0	1,268,183	1,337,585	1,268,183	1,337,585	-5.47%
Water System	0	0	10,142,502	10,315,952	10,142,502	10,315,952	-1.71%
Sewer System	0	0	1,500,258	1,489,760	1,500,258	1,489,760	0.70%
Total	\$80,907,967	\$80,184,491	\$15,906,674	\$15,615,619	\$96,814,641	\$95,800,110	1.05%

Long-Term Debt

The Village has a legal debt limit of \$64,925,150 which is defined as 8.625% of the equalized assessed value. The limit increased as the 2018 Equalized Assessed Valuation (EAV) decreased by 2.2%. The total outstanding debt is \$21,997,698 of which \$11,435,000 is applied to the legal limit and will be paid from property taxes. The General Obligation Alternate Revenue Bonds are paid from utility taxes. \$7,097,631 is the direct obligation of the Water and Sewerage Fund. The debt ratio of the Village is 17.61%. The Village has consistently maintained Moody’s Investors Services bond rating of Aa2, which was reconfirmed in May 2018. 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

	Payable from Governmental Activities		Payable from Business - Type Activities		Total	
	2018	2017	2018	2017	2018	2017
General Obligation Bonds (Alternate Revenue)	\$2,720,000	\$3,000,000	\$390,000	\$585,000	\$3,110,000	\$3,585,000
General Obligation Bonds (Limited Tax) Debt Service	2,020,000	2,230,000	0	0	2,020,000	2,230,000
General Obligation Bonds	7,490,000	8,065,000	0	0	7,490,000	8,065,000
Notes Payable	245,000	280,000	0	0	245,000	280,000
Promissory Notes	674,000	280,000	0	0	674,000	280,000
General Obligations Bonds (Library Bonds)	1,925,000	0	0	0	1,925,000	0
IEPA Loans	0	0	7,097,631	7,557,698	7,097,631	7,557,698
Total	\$15,074,000	\$13,855,000	\$7,487,631	\$8,142,698	\$22,561,631	\$21,997,698

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.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2018

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 6,658,720	\$ 1,280,681	\$ 7,939,401
Investments	9,767,743	-	9,767,743
Restricted Investments	21,493	-	21,493
Receivables (Net of Allowances for Uncollectibles)			
Property Taxes	6,760,456	100,560	6,861,016
Accounts	-	656,785	656,785
Accrued Interest	2,708	-	2,708
Other	726,636	-	726,636
Due from Fiduciary Funds	9,168	-	9,168
Due from Other Governments	2,248,646	72,523	2,321,169
Capital Assets Not Being Depreciated	55,706,549	691,349	56,397,898
Capital Assets Being Depreciated (Net of Accumulated Depreciation)	25,201,418	15,215,325	40,416,743
Total Assets	107,103,537	18,017,223	125,120,760
DEFERRED OUTFLOWS OF RESOURCES			
Pension Items - IMRF	442,524	199,256	641,780
Pension Items - Police Pension	2,401,645	-	2,401,645
Pension Items - Firefighters' Pension	17,616	-	17,616
Unamortized Loss on Refunding	55,615	4,209	59,824
Total Deferred Outflows of Resources	2,917,400	203,465	3,120,865
Total Assets and Deferred Outflows of Resources	110,020,937	18,220,688	128,241,625

(This statement is continued on the following page.)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2018

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts Payable	\$ 867,059	\$ 217,712	\$ 1,084,771
Contracts Payable	125,855	142,447	268,302
Accrued Interest	34,384	3,593	37,977
Accrued Payroll	113,690	19,903	133,593
Deposits	2,191,580	22,971	2,214,551
Other Payables	32,840	23	32,863
Due to Other Governments	6,091	-	6,091
Unearned Revenue	404,156	47,370	451,526
Noncurrent Liabilities			
Due Within One Year	1,595,837	708,842	2,304,679
Due in More than One Year	30,509,897	7,802,934	38,312,831
Total Liabilities	35,881,389	8,965,795	44,847,184
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Taxes	6,746,939	100,319	6,847,258
OPEB Items	59,753	16,294	76,047
Pension Items - Police Pension	256,504	-	256,504
Pension Items - IMRF	932,329	419,806	1,352,135
Total Deferred Inflows of Resources	7,995,525	536,419	8,531,944
Total Liabilities and Deferred Inflows of Resources	43,876,914	9,502,214	53,379,128
NET POSITION			
Net Investment in Capital Assets	70,924,158	8,085,899	79,010,057
Restricted for			
Capital Improvements	829,788	-	829,788
Maintenance of Roadways	2,252,713	-	2,252,713
Subdivision Improvements	21,493	-	21,493
Debt Service	264,234	-	264,234
Economic Development	16,536	-	16,536
Unrestricted (deficit)	(8,164,899)	632,575	(7,532,324)
TOTAL NET POSITION	\$ 66,144,023	\$ 8,718,474	\$ 74,862,497

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2018

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 2,149,637	\$ 431,400	\$ 46,300	\$ -
Public Safety	8,097,599	414,094	22,790	3,374
Municipal Services	3,040,344	1,516,230	332,104	-
Economic Development	2,445	-	-	-
Culture and Recreation	1,593,323	1,104,937	-	-
Interest	392,016	-	-	-
Total Governmental Activities	15,275,364	3,466,661	401,194	3,374
Business-Type Activities				
Water and Sewer	3,492,842	4,112,678	-	-
Burlington Northern Parking	469,770	182,497	-	-
Total Business-Type Activities	3,962,612	4,295,175	-	-
TOTAL PRIMARY GOVERNMENT	\$ 19,237,976	\$ 7,761,836	\$ 401,194	\$ 3,374

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
	\$ (1,671,937)	\$ -	\$ (1,671,937)
	(7,657,341)	-	(7,657,341)
	(1,192,010)	-	(1,192,010)
	(2,445)	-	(2,445)
	(488,386)	-	(488,386)
	(392,016)	-	(392,016)
	<u>(11,404,135)</u>	<u>-</u>	<u>(11,404,135)</u>
	-	619,836	619,836
	-	(287,273)	(287,273)
	-	332,563	332,563
	<u>(11,404,135)</u>	<u>332,563</u>	<u>(11,071,572)</u>
General Revenues			
Taxes			
Property	6,655,617	118,371	6,773,988
Sales, Local Use	1,411,298	-	1,411,298
Utility	606,366	-	606,366
Telecommunications	299,546	-	299,546
Intergovernmental - Unrestricted			
Income Tax	1,242,565	-	1,242,565
Replacement Tax	28,008	-	28,008
Investment Income	251,797	35,877	287,674
Miscellaneous	899,952	21,424	921,376
Gain (Loss) on Sale of Capital Assets	-	(9,005)	(9,005)
Transfers In (Out)	(100,000)	100,000	-
Total	<u>11,295,149</u>	<u>266,667</u>	<u>11,561,816</u>
CHANGE IN NET POSITION	<u>(108,986)</u>	<u>599,230</u>	<u>490,244</u>
NET POSITION, JANUARY 1	67,280,883	8,438,055	75,718,938
Change in accounting principle	(1,027,874)	(318,811)	(1,346,685)
NET POSITION, JANUARY 1, RESTATED	<u>66,253,009</u>	<u>8,119,244</u>	<u>74,372,253</u>
NET POSITION, DECEMBER 31	<u>\$ 66,144,023</u>	<u>\$ 8,718,474</u>	<u>\$ 74,862,497</u>

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2018

	<u>General</u>	<u>Playground and Recreation</u>	<u>Capital Improvement</u>	<u>Roadway Construction</u>
ASSETS				
Cash and Cash Equivalents	\$ 3,217,167	\$ 428,734	\$ 286,102	\$ 707,013
Investments	1,632,601	-	578,509	3,363,941
Restricted Investments	-	-	-	-
Receivables (Net of Allowances for Uncollectibles)				
Property Taxes	4,963,399	379,424	218,985	5,465
Accrued Interest	726	-	-	1,122
Other				
Utility Taxes	133,442	-	-	-
Miscellaneous	592,944	-	-	-
Due from Other Governments				
Municipal Sales Tax	291,877	-	-	-
Motor Fuel Tax/CMAQ Grant	-	-	-	-
Intergovernmental Receivable - Library	-	-	1,925,000	-
Other	214	-	3,374	-
Due from Other Funds	9,168	-	-	-
Advance to Other Funds	-	-	-	-
TOTAL ASSETS	<u>\$ 10,841,538</u>	<u>\$ 808,158</u>	<u>\$ 3,011,970</u>	<u>\$ 4,077,541</u>

	Public Benefit	Timber Trails Special Assessment	Special Purpose Reserve	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$	828,392	\$ -	\$ 327,592	\$ 261,734	\$ 601,986	\$ 6,658,720
	637,600	-	1,872,106	-	1,682,986	9,767,743
	-	21,493	-	-	-	21,493
	-	-	-	1,193,183	-	6,760,456
	-	-	122	-	738	2,708
	-	-	-	-	-	133,442
	-	-	-	-	250	593,194
	-	-	-	-	-	291,877
	-	-	-	-	28,181	28,181
	-	-	-	-	-	1,925,000
	-	-	-	-	-	3,588
	-	-	-	-	-	9,168
	-	-	50,000	-	-	50,000
\$	1,465,992	\$ 21,493	\$ 2,249,820	\$ 1,454,917	\$ 2,314,141	\$ 26,245,570

(This statement is continued on the following pages.)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

December 31, 2018

	General	Playground and Recreation	Capital Improvement	Roadway Construction
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 301,266	\$ 43,407	\$ 37,408	\$ 479,159
Contracts Payable	-	-	-	125,855
Accrued Payroll	103,917	8,879	-	894
Deposits	841,022	-	-	-
Due to Other Governments	4,541	1,550	-	-
Other Payables	31,611	-	1,229	-
Unearned Revenue				
Parking Permits	-	-	-	-
Other	382,440	14,466	-	-
Advance from Other Funds	-	-	-	-
	1,664,797	68,302	38,637	605,908
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	4,953,566	378,689	218,545	5,456
Unavailable Revenue - Intergovernmental Debt	-	-	1,925,000	-
	4,953,566	378,689	2,143,545	5,456
FUND BALANCES				
Nonspendable				
Prepaid Items	-	-	-	-
Restricted				
Capital Improvements	-	-	829,788	-
Maintenance of Roadways	-	-	-	3,466,177
Subdivision Improvements	-	-	-	-
Debt Service	-	-	-	-
Economic Development	-	-	-	-
Unrestricted				
Assigned				
Quasiquicentennial	48,276	-	-	-
Recreation	-	361,167	-	-
Capital Projects	-	-	-	-
Commuter Improvements	-	-	-	-
Unassigned	4,174,899	-	-	-
	4,223,175	361,167	829,788	3,466,177
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 10,841,538	\$ 808,158	\$ 3,011,970	\$ 4,077,541

Public Benefit	Timber Trails Special Assessment	Special Purpose Reserve	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ 563	\$ -	\$ -	\$ -	\$ 5,256	\$ 867,059
-	-	-	-	-	125,855
-	-	-	-	-	113,690
1,350,558	-	-	-	-	2,191,580
-	-	-	-	-	6,091
-	-	-	-	-	32,840
-	-	-	-	7,250	7,250
-	-	-	-	-	396,906
-	-	-	-	50,000	50,000
1,351,121	-	-	-	62,506	3,791,271
-	-	-	1,190,683	-	6,746,939
-	-	-	-	-	1,925,000
-	-	-	1,190,683	-	8,671,939
-	-	-	-	-	-
-	-	-	-	-	829,788
-	-	-	-	2,142,468	5,608,645
-	21,493	-	-	-	21,493
-	-	-	264,234	-	264,234
-	-	-	-	16,536	16,536
-	-	-	-	-	48,276
-	-	-	-	-	361,167
114,871	-	2,249,820	-	4,615	2,369,306
-	-	-	-	88,016	88,016
-	-	-	-	-	4,174,899
114,871	21,493	2,249,820	264,234	2,251,635	13,782,360
\$ 1,465,992	\$ 21,493	\$ 2,249,820	\$ 1,454,917	\$ 2,314,141	\$ 26,245,570

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, 2018

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 13,782,360
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	80,907,967
Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(498,018)
Net pension liability for the Police Pension Fund is shown as a liability on the statement of net position	(14,658,814)
Net pension liability for the Firefighters' Pension Fund is shown as a liability on the statement of net position	(42,293)
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	(489,805)
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	2,145,141
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	17,616
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Other Postemployment Benefit Plan are recognized as deferred outflows and inflows of resources on the statement of net position	(59,753)
Certain assets are not available to report as revenue in the governmental funds but are revenue on the accrual basis of accounting	1,925,000
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	(14,155,000)
General obligation promissory notes	(674,000)
Notes payable	(245,000)
OPEB liability	(1,111,667)
Interest payable	(34,384)
Unamortized loss on refunding	55,615
Compensated absences payable	(473,586)
Unamortized bond premium	(247,356)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 66,144,023

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, 2018

	General	Playground and Recreation	Capital Improvement	Roadway Construction
REVENUES				
Taxes	\$ 7,106,577	\$ 360,895	\$ 215,777	\$ 4,354
Licenses and Permits	1,612,231	-	-	-
Intergovernmental	1,388,941	-	3,374	-
Charges for Services	836,885	1,104,937	-	-
Fines and Forfeits	394,069	-	-	-
Investment Income	86,809	10,205	15,524	61,219
Miscellaneous	37,429	227,143	-	88,037
Total Revenues	11,462,941	1,703,180	234,675	153,610
EXPENDITURES				
Current				
General Government	1,934,365	3,016	-	-
Public Safety	6,799,863	-	-	-
Municipal Services	1,683,324	70,360	8,193	252,377
Economic Development	-	-	-	-
Culture and Recreation	-	1,345,752	-	-
Intergovernmental	-	-	1,925,000	-
Capital Outlay	-	364,693	849,862	1,101,097
Debt Service				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	10,417,552	1,783,821	2,783,055	1,353,474
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,045,389	(80,641)	(2,548,380)	(1,199,864)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers (Out)	(747,303)	(61,250)	(99,214)	-
Bonds Issued, at Par	-	-	1,925,000	-
Notes Issued, at Par	-	-	500,000	-
Sale of Capital Assets	-	-	19,774	-
Total Other Financing Sources (Uses)	(747,303)	(61,250)	2,345,560	-
NET CHANGE IN FUND BALANCES	298,086	(141,891)	(202,820)	(1,199,864)
FUND BALANCES, JANUARY 1	3,925,089	503,058	1,032,608	4,666,041
FUND BALANCES, DECEMBER 31	\$ 4,223,175	\$ 361,167	\$ 829,788	\$ 3,466,177

	Public Benefit	Timber Trails Special Assessment	Special Purpose Reserve	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$	-	\$ -	\$ -	\$ 1,226,379	\$ 58,849	\$ 8,972,831
	-	-	-	-	-	1,612,231
	-	-	-	-	332,104	1,724,419
	-	-	-	-	16,600	1,958,422
	-	-	-	-	-	394,069
	15,781	274	26,449	12,002	23,534	251,797
	-	-	-	-	-	352,609
	15,781	274	26,449	1,238,381	431,087	15,266,378
	-	-	-	-	-	1,937,381
	-	-	-	-	-	6,799,863
	-	-	98	-	-	2,014,352
	-	-	-	-	2,445	2,445
	-	-	-	-	-	1,345,752
	-	-	-	-	-	1,925,000
	-	-	-	-	196,535	2,512,187
	-	-	-	1,206,000	-	1,206,000
	-	-	-	487,291	-	487,291
	-	-	98	1,693,291	198,980	18,230,271
	15,781	274	26,351	(454,910)	232,107	(2,963,893)
	-	-	400,000	507,767	61,445	969,212
	-	-	(161,445)	-	-	(1,069,212)
	-	-	-	-	-	1,925,000
	-	-	-	-	-	500,000
	-	-	-	-	-	19,774
	-	-	238,555	507,767	61,445	2,344,774
	15,781	274	264,906	52,857	293,552	(619,119)
	99,090	21,219	1,984,914	211,377	1,958,083	14,401,479
\$	114,871	\$ 21,493	\$ 2,249,820	\$ 264,234	\$ 2,251,635	\$ 13,782,360

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, 2018

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (619,119)
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	1,976,579
Proceeds from the sale of capital assets in governmental funds is converted to a gain (loss) on sale in the statement of activities	(43,409)
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	
Principal repayment	1,206,000
Change in interest payable	58,633
Change in compensated absences	(784)
Amortization of bond premium	49,343
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	(1,925,000)
Notes issued	(500,000)
The amortization of loss on refunding is reported as interest expense on the statement of activities	(12,701)
Transfer to Thomas Ford Memorial Library is not an expense on the statement of activities	1,925,000
The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities	1,525,979
The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(1,646,962)
The change in the OPEB liability and deferred inflows and outflows of resources for the Other Postemployment Benefit Plan is reported only in the statement of activities	(2,369)
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	(886,267)
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	(4,215)
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>(1,209,694)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (108,986)</u>

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2018

	Waterworks and Sewerage	Burlington Northern Parking Meter	Total
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 959,840	\$ 320,841	\$ 1,280,681
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)			
Property Taxes	95,776	4,784	100,560
Accounts	654,765	2,020	656,785
Due from Other Governments	-	72,523	72,523
Total Current Assets	1,710,381	400,168	2,110,549
NONCURRENT ASSETS			
Capital Assets			
Cost	26,021,317	5,779,393	31,800,710
Accumulated Depreciation	(13,199,516)	(2,694,520)	(15,894,036)
Net Capital Assets	12,821,801	3,084,873	15,906,674
Total Noncurrent Assets	12,821,801	3,084,873	15,906,674
Total Assets	14,532,182	3,485,041	18,017,223
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized Loss on Refunding	4,209	-	4,209
Pension Items - IMRF	189,544	9,712	199,256
Total Deferred Outflows of Resources	193,753	9,712	203,465
Total Assets and Deferred Outflows of Resources	14,725,935	3,494,753	18,220,688

(This statement is continued on the following page.)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF NET POSITION (Continued)
 PROPRIETARY FUNDS

December 31, 2018

	Waterworks and Sewerage	Burlington Northern Parking Meter	Total
CURRENT LIABILITIES			
Accounts Payable	\$ 150,864	\$ 66,848	\$ 217,712
Contracts Payable	-	142,447	142,447
Accrued Interest	3,593	-	3,593
Accrued Payroll	18,578	1,325	19,903
Deposits Payable	22,971	-	22,971
Other Payables	23	-	23
Unearned Revenue - Other	-	47,370	47,370
Current Portion of Compensated Absences	4,405	269	4,674
Current Portion of OPEB Liability	21,018	1,474	22,492
Current Portion of IEPA Loan Payable	441,676	-	441,676
Current Portion of Promissory Note Payable	50,000	-	50,000
Current Portion of General Obligation Bonds Payable	190,000	-	190,000
Total Current Liabilities	903,128	259,733	1,162,861
NONCURRENT LIABILITIES			
Compensated Absences	39,648	2,418	42,066
General Obligation Bonds Payable	200,000	-	200,000
Promissory Note Payable	400,000	-	400,000
IEPA Loan Payable	6,655,955	-	6,655,955
OPEB Liability	262,276	18,393	280,669
Net Pension Liability - IMRF	213,314	10,930	224,244
Total Noncurrent Liabilities	7,771,193	31,741	7,802,934
Total Liabilities	8,674,321	291,474	8,965,795
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Taxes	95,547	4,772	100,319
OPEB Items	15,227	1,067	16,294
Pension Items - IMRF	399,342	20,464	419,806
Total Deferred Inflows of Resources	510,116	26,303	536,419
Total Liabilities and Deferred Inflows of Resources	9,184,437	317,777	9,502,214
NET POSITION			
Net Investment in Capital Assets	5,001,026	3,084,873	8,085,899
Unrestricted	540,472	92,103	632,575
TOTAL NET POSITION	\$ 5,541,498	\$ 3,176,976	\$ 8,718,474

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, 2018

	Waterworks and Sewerage	Burlington Northern Parking Meter	Total
OPERATING REVENUES			
Charges for Services	\$ 4,112,678	\$ 182,497	\$ 4,295,175
Total Operating Revenues	4,112,678	182,497	4,295,175
OPERATING EXPENSES			
Personal Services	1,211,118	72,350	1,283,468
Contractual Services	989,202	229,986	1,219,188
Supplies and Commodities	418,278	7,686	425,964
Total Operating Expenses	2,618,598	310,022	2,928,620
Operating Income (Loss) Before Depreciation	1,494,080	(127,525)	1,366,555
DEPRECIATION	749,328	159,748	909,076
OPERATING INCOME (LOSS)	744,752	(287,273)	457,479
NON-OPERATING REVENUES (EXPENSES)			
Investment Income	33,121	2,756	35,877
Miscellaneous	29,160	(7,736)	21,424
Property Taxes	112,281	6,090	118,371
Gain (Loss) on Sale of Capital Assets	(9,005)	-	(9,005)
Interest Expense	(124,916)	-	(124,916)
Total Non-Operating Revenues (Expenses)	40,641	1,110	41,751
NET INCOME (LOSS) BEFORE TRANSFERS	785,393	(286,163)	499,230
TRANSFERS			
Transfers In	-	100,000	100,000
Total Transfers	-	100,000	100,000
NET INCOME (LOSS) BEFORE CAPITAL GRANTS	785,393	(186,163)	599,230
CAPITAL GRANTS	-	-	-
CHANGE IN NET POSITION	785,393	(186,163)	599,230
NET POSITION, JANUARY 1	5,054,023	3,384,032	8,438,055
Change in Accounting Principle	(297,918)	(20,893)	(318,811)
NET POSITION, JANUARY 1, RESTATED	4,756,105	3,363,139	8,119,244
NET POSITION, DECEMBER 31	\$ 5,541,498	\$ 3,176,976	\$ 8,718,474

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended December 31, 2018

	Waterworks and Sewerage	Burlington Northern Parking Meter	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 4,099,385	\$ 181,557	\$ 4,280,942
Receipts from Miscellaneous Revenues	29,160	(7,736)	21,424
Payments to Suppliers	(1,409,883)	(362,638)	(1,772,521)
Payments to Employees	(1,191,333)	(67,344)	(1,258,677)
Net Cash from Operating Activities	1,527,329	(256,161)	1,271,168
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal Payments on IEPA Loans	(460,067)	-	(460,067)
Principal Payments on Bonds	(195,000)	-	(195,000)
Principal Payments on Promissory Notes	(50,000)	-	(50,000)
Proceeds from Issuance of Promissory Notes	500,000	-	500,000
Capital Assets Purchased	(900,915)	(308,251)	(1,209,166)
Proceeds from Capital Grants	-	169,803	169,803
Interest Paid	(118,860)	-	(118,860)
Net Cash from Capital and Related Financing Activities	(1,224,842)	(138,448)	(1,363,290)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund Receipt	-	100,000	100,000
Property Taxes Received	112,281	6,088	118,369
Net Cash from Noncapital Financing Activities	112,281	106,088	218,369
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	33,121	140	33,261
Net Cash from Investing Activities	33,121	140	33,261
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	447,889	(288,381)	159,508
CASH AND CASH EQUIVALENTS, JANUARY 1	511,951	609,222	1,121,173
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 959,840	\$ 320,841	\$ 1,280,681

(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, 2018

	Waterworks and Sewerage	Burlington Northern Parking Meter	Total
RECONCILIATION OF OPERATING INCOME			
(LOSS) TO NET CASH FLOWS FROM			
OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 744,752	\$ (287,273)	\$ 457,479
Adjustments to Reconcile Operating Income			
(Loss) to Net Cash from Operating Activities			
Depreciation	749,328	159,748	909,076
Miscellaneous Revenue (Expense)	29,160	(7,736)	21,424
Changes in Assets and Liabilities			
Accounts Receivable	(13,293)	(2,050)	(15,343)
Accounts Payable	(2,079)	(267,413)	(269,492)
Contracts Payable	-	142,447	142,447
Deposits Payables	(324)	-	(324)
Unearned Revenue - Other	-	1,110	1,110
Deferred Outflows of Resources - IMRF	352,280	18,052	370,332
Deferred Inflows of Resources - IMRF	353,161	18,098	371,259
OPEB Items	601	2,657	3,258
Net Pension Liability - IMRF	(653,617)	(33,492)	(687,109)
Accrued Payroll	(4,963)	304	(4,659)
Compensated Absences	(27,677)	(613)	(28,290)
NET CASH FROM OPERATING ACTIVITIES	\$ 1,527,329	\$ (256,161)	\$ 1,271,168

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

December 31, 2018

	Pension Trust Funds	Agency Funds
ASSETS		
Cash and Cash Equivalents	\$ 253,324	\$ 68,013
Investments, at Fair Value		
Certificates of Deposit	270,701	-
U.S. Treasury Obligations	1,259,913	-
U.S. Agency Obligations	1,231,741	-
Municipal Bonds	290,182	-
Corporate Bonds	2,673,000	-
Equities	9,064,669	-
Accrued Interest Receivable	37,453	-
	<hr/>	<hr/>
Total Assets	15,080,983	\$ 68,013
	<hr/>	<hr/>
LIABILITIES		
Accounts Payable	6,279	\$ -
Due to Other Funds	9,168	-
Other Liabilities	-	68,013
	<hr/>	<hr/>
Total Liabilities	15,447	\$ 68,013
	<hr/>	<hr/>
NET POSITION RESTRICTED FOR PENSIONS	<hr/> \$ 15,065,536 <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, 2018

	<u>Pension Trust Funds</u>
ADDITIONS	
Contributions	
Employer Contributions	\$ 1,218,662
Employee Contributions	188,992
	<hr/>
Total Contributions	1,407,654
	<hr/>
Investment Income	
Net Depreciation in Fair Value of Investments	(910,135)
Interest	278,700
	<hr/>
Total Investment Income	(631,435)
Less Investment Expense	(50,353)
	<hr/>
Net Investment Income	(681,788)
	<hr/>
Total Additions	725,866
	<hr/>
DEDUCTIONS	
Benefits and Refunds	1,534,435
Administrative Expenses	8,969
	<hr/>
Total Deductions	1,543,404
	<hr/>
NET DECREASE	(817,538)
NET POSITION RESTRICTED FOR PENSIONS	
January 1	15,883,074
	<hr/>
December 31	\$ 15,065,536
	<hr/> <hr/>

See accompanying notes to financial statements.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

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, deferred outflows of resources, liabilities, deferred inflows of resources, 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 Roadway Construction Fund accounts restricted resources for the roadway restoration and repair which are funded by Series 2009, Series 2012 GO Bond, Series 2015A GO Bond and 2017 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)

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 2006 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)

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, 2018, 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)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Prepaid Items/Expenses/Inventory

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, 2018, 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)

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 Director of Finance by the fund balance and reserve policy. The Village's policy is to maintain fund balance in General Fund of four months (30%) 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)

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.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

3. CASH AND INVESTMENTS (Continued)

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.

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, 2018, 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, The 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. The 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.

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

3. CASH AND INVESTMENTS (Continued)

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.

The following table depicts the Village's investment in debt securities as of December 31, 2018:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Village IMET	\$ 381,418	\$ -	\$ 381,418	\$ -	\$ -

The Village has the following recurring fair value measurements as of December 31, 2018: 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, 2018 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 1,471,915	\$ -	\$ -	\$ 1,471,915
Land Right of Way	54,234,634	-	-	54,234,634
Total Capital Assets Not Being Depreciated	55,706,549	-	-	55,706,549
Capital Assets Being Depreciated				
Building	12,658,419	297,633	-	12,956,052
Motor Equipment	3,589,773	542,026	(259,508)	3,872,291
Office Furniture and Equipment	1,127,093	38,950	-	1,166,043
Infrastructure	31,901,046	1,097,970	-	32,999,016
Total Capital Assets Being Depreciated	49,276,331	1,976,579	(259,508)	50,993,402

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

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
(Continued)				
Less Accumulated Depreciation for				
Building	\$ 6,501,334	\$ 332,905	\$ -	\$ 6,834,239
Motor Equipment	2,118,304	216,756	(216,099)	2,118,961
Office Furniture and Equipment	1,023,905	21,537	-	1,045,442
Infrastructure	15,154,846	638,496	-	15,793,342
Total Accumulated Depreciation	<u>24,798,389</u>	<u>1,209,694</u>	<u>(216,099)</u>	<u>25,791,984</u>
 Total Capital Assets Being Depreciated, Net	 <u>24,477,942</u>	 <u>766,885</u>	 <u>(43,409)</u>	 <u>25,201,418</u>
 GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET				
	<u>\$ 80,184,491</u>	<u>\$ 766,885</u>	<u>(43,409)</u>	<u>\$ 80,907,967</u>
 BUSINESS-TYPE ACTIVITIES				
Capital Assets Not Being Depreciated				
Land	\$ 27,962	\$ -	\$ -	\$ 27,962
Construction in Progress	399,122	264,265	-	663,387
Total Capital Assets Not Being Depreciated	<u>427,084</u>	<u>264,265</u>	<u>-</u>	<u>691,349</u>
Capital Assets Being Depreciated				
Land Improvements	2,794,441	-	-	2,794,441
Building and Building Improvements	2,711,584	-	-	2,711,584
Water Distribution System	16,500,997	314,860	-	16,815,857
Sewer Distribution System	6,875,844	160,582	-	7,036,426
Vehicles, Equipment and Furniture	1,628,817	492,031	369,793	1,751,055
Total Capital Assets Being Depreciated	<u>30,511,683</u>	<u>967,473</u>	<u>369,793</u>	<u>31,109,363</u>
Less Accumulated Depreciation for				
Land Improvements	1,456,856	9,402	-	1,526,258
Building and Building Improvements	1,184,176	106,118	-	1,290,294
Water Distribution System	6,185,045	488,308	-	6,673,353
Sewer Distribution System	5,386,084	150,084	-	5,536,168
Vehicles, Equipment and Furniture	1,110,987	95,164	338,186	867,965
Total Accumulated Depreciation	<u>15,323,148</u>	<u>909,076</u>	<u>338,186</u>	<u>15,894,040</u>
 Total Capital Assets Being Depreciated, Net	 <u>15,188,535</u>	 <u>58,395</u>	 <u>31,607</u>	 <u>15,215,325</u>
 BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET				
	<u>\$ 15,615,619</u>	<u>\$ 322,662</u>	<u>\$ 31,607</u>	<u>\$ 15,906,674</u>

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

4. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES

General Government	\$ 62,331
Public Safety	261,291
Municipal Services	721,556
Culture and Recreation	<u>164,516</u>

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES \$ 1,209,694

5. LONG-TERM DEBT

A summary of changes in long-term debt of the Village for the year ended December 31, 2018 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	\$ 1,435,000	\$ -	\$ 185,000	\$ 1,250,000	\$ 190,000
\$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	2,130,000	-	235,000	1,895,000	245,000
\$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	-	280,000	2,720,000	285,000

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

5. LONG-TERM DEBT (Continued)

a. Governmental Activities Bonds (Continued)

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements/ Refundings	Ending Balances	Current Portion
\$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	\$ 2,230,000	\$ -	\$ 210,000	\$ 2,020,000	\$ 220,000
\$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	-	155,000	4,345,000	230,000
\$1,925,000 General Obligation Bonds, Series 2018, due in annual installments of \$155,000 to \$225,000 plus interest at 4% through December 1, 2028.	General Debt Service	-	1,925,000	-	1,925,000	155,000
TOTAL GOVERNMENTAL ACTIVITIES BONDS		\$ 13,295,000	\$ 1,925,000	\$ 1,065,000	\$ 14,155,000	\$ 1,325,000

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	\$ 585,000	\$ -	\$ 195,000	\$ 390,000	\$ 190,000
TOTAL BUSINESS-TYPE ACTIVITIES BONDS		\$ 585,000	\$ -	\$ 195,000	\$ 390,000	\$ 190,000

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

5. LONG-TERM DEBT (Continued)

c. General Obligation Promissory Note - Governmental Activities

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	\$ 280,000	\$ -	\$ 56,000	\$ 224,000	\$ 56,000
\$500,000 General Obligation Promissory Note, Series 2018 dated May 7, 2018 due in annual installments of \$50,000 plus interest at 2.95% through November 1, 2027.	General Debt Service	-	500,000	50,000	450,000	50,000
TOTAL GENERAL OBLIGATION PROMISSORY NOTE		\$ 280,000	\$ 500,000	\$ 106,000	\$ 674,000	\$ 106,000

The Village issued \$1,000,000 General Obligation Promissory Note, Series 2018 on May 7, 2018. The Promissory Note proceeds were allocated between the governmental activities (\$500,000) and the business-type activities (\$500,000). The balance outstanding at December 31, 2018 totaling \$900,000 was allocated \$450,000 to governmental activities and \$450,000 to business-type activities in the Waterworks and Sewerage Fund.

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	\$ 280,000	\$ -	\$ 35,000	\$ 245,000	\$ 35,000
TOTAL NOTE PAYABLE		\$ 280,000	\$ -	\$ 35,000	\$ 245,000	\$ 35,000

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	\$ 307,564	\$ -	\$ 48,044	\$ 259,520	\$ 24,487
IEPA Loan II	Waterworks and Sewerage	7,250,134	-	412,023	6,838,111	417,189
TOTAL IEPA LOANS		\$ 7,557,698	\$ -	\$ 460,067	\$ 7,097,631	\$ 441,676

f. General Obligation Promissory Note - Business-Type Activities

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances	Current Portion
\$500,000 General Obligation Promissory Note, Series 2018 dated May 7, 2018 due in annual installments of \$50,000 plus interest at 2.95% through November 1, 2027.	Waterworks and Sewerage	\$ -	\$ 500,000	\$ 50,000	\$ 450,000	\$ 50,000
TOTAL GENERAL OBLIGATION PROMISSORY NOTE		\$ -	\$ 500,000	\$ 50,000	\$ 450,000	\$ 50,000

The Village issued \$1,000,000 General Obligation Promissory Note, Series 2018 on May 7, 2018. The Promissory Note proceeds were allocated between the governmental activities (\$500,000) and the business-type activities (\$500,000). The balance outstanding at December 31, 2018 totaling \$900,000 was allocated \$450,000 to governmental activities and \$450,000 to business-type activities in the Waterworks and Sewerage Fund.

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

5. LONG-TERM DEBT (Continued)

g. Changes in Governmental Activities Long-Term Debt

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

	Beginning Balances, Restated	Additions	Retirements	Ending Balances	Current Portion
Bonds Payable	\$ 13,295,000	\$ 1,925,000	\$ 1,065,000	\$ 14,155,000	\$ 1,325,000
General Obligation Promissory Notes	280,000	500,000	106,000	674,000	106,000
Note Payable	280,000	-	35,000	245,000	35,000
OPEB Liability*	1,169,051	-	57,384	1,111,667	82,478
Net Pension Liability - IMRF*	2,023,997	-	1,525,979	498,018	-
Net Pension Liability - Police Pension*	12,847,269	1,811,545	-	14,658,814	-
Net Pension Liability - Firefighters' Pension*	37,453	4,840	-	42,293	-
Compensated Absences*	472,802	48,064	47,280	473,586	47,359
Unamortized Bond Premium	296,699	-	49,343	247,356	-
TOTAL GOVERNMENTAL ACTIVITIES LONG-TERM DEBT	\$ 30,702,271	\$ 4,289,449	\$ 2,885,986	\$ 32,105,734	\$ 1,595,837

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

h. 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, Restated	Additions	Retirements	Ending Balances	Current Portion
Bonds Payable	\$ 585,000	\$ -	\$ 195,000	\$ 390,000	\$ 190,000
IEPA Loans Payable	7,557,698	-	460,067	7,097,631	441,676
General Obligation Promissory Notes	-	500,000	50,000	450,000	50,000
Compensated Absences - Water Waterworks and Sewerage	71,730	-	27,677	44,053	4,405
Compensated Absences - Burlington Northern Parking Meter	3,300	-	613	2,687	269
Net Pension Liability - IMRF - Water Waterworks and Sewerage	866,931	-	653,617	213,314	-
Net Pension Liability - IMRF - Burlington Northern Parking Meter	44,422	-	33,492	10,930	-
OPEB Liability - Waterworks and Sewerage	297,918	-	14,624	283,294	21,018
OPEB Liability - Burlington Northern Parking Meter	20,893	-	1,026	19,867	1,474
TOTAL BUSINESS-TYPE ACTIVITIES LONG-TERM DEBT	\$ 9,447,892	\$ 500,000	\$ 1,436,116	\$ 8,511,776	\$ 708,842

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

5. LONG-TERM DEBT (Continued)

i. Debt Service to Maturity

The annual requirements to amortize all debt outstanding of the primary government as of December 31, 2018 are as follows:

Fiscal Year	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 1,325,000	\$ 479,972	\$ 1,804,972	\$ 190,000	\$ 8,200	\$ 198,200
2020	1,375,000	404,318	1,779,318	200,000	4,400	204,400
2021	1,420,000	362,644	1,782,644	-	-	-
2022	1,465,000	319,240	1,784,240	-	-	-
2023	1,510,000	274,305	1,784,305	-	-	-
2024	1,565,000	226,460	1,791,460	-	-	-
2025	1,365,000	176,064	1,541,064	-	-	-
2026	985,000	133,564	1,118,564	-	-	-
2027	930,000	102,941	1,032,941	-	-	-
2028	530,000	73,056	603,056	-	-	-
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	-	-	-
TOTAL	\$ 14,155,000	\$ 2,725,239	\$ 16,880,239	\$ 390,000	\$ 12,600	\$ 402,600

Fiscal Year	Promissory Notes					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 106,000	\$ 17,475	\$ 123,475	\$ 50,000	\$ 13,275	\$ 63,275
2020	106,000	14,950	120,950	50,000	11,800	61,800
2021	106,000	12,425	118,425	50,000	10,325	60,325
2022	106,000	9,900	115,900	50,000	8,850	58,850
2023	50,000	7,375	57,375	50,000	7,375	57,375
2024	50,000	5,900	55,900	50,000	5,900	55,900
2025	50,000	4,425	54,425	50,000	4,425	54,425
2026	50,000	2,950	52,950	50,000	2,950	52,950
2027	50,000	1,475	51,475	50,000	1,475	51,475
TOTAL	\$ 674,000	\$ 76,875	\$ 750,875	\$ 450,000	\$ 66,375	\$ 516,375

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

5. LONG-TERM DEBT (Continued)

i. Debt Service to Maturity (Continued)

Fiscal Year	Note Payable		
	Principal	Interest	Total
2019	\$ 35,000	\$ 5,415	\$ 40,415
2020	35,000	4,641	39,641
2021	35,000	3,868	38,868
2022	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
TOTAL	\$ 245,000	\$ 21,660	\$ 266,660

Fiscal Year	IEPA Loan I			IEPA Loan II		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 24,487	\$ 3,335	\$ 27,822	\$ 417,189	\$ 84,177	\$ 501,366
2020	49,921	5,721	55,642	422,420	78,946	501,366
2021	51,212	4,431	55,643	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	27,467	353	27,820	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
TOTAL	\$ 259,520	\$ 18,693	\$ 278,213	\$ 6,838,111	\$ 682,379	\$ 7,520,490

j. 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, 2018, \$22,964,000 of the Special Assessment Bonds was outstanding.

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

5. LONG-TERM DEBT (Continued)

k. Pledged Revenues

The Village issued the Series 2015A General Obligation Bonds (Utility Tax Alternate Revenue Source). The issue is payable from a pledge of the Village's utility taxes on electricity and gas, and is being repaid by the General Fund. The remaining pledge of utility taxes is displayed in Note 5h, debt service requirements to maturity, with 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, 46.20% of the pledged revenue of utility taxes of \$606,366 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 5i, debt service requirements to maturity, with the pledge expiring December 1, 2020, when the bonds are paid off. During the current fiscal year, 4.70% of the pledged revenue of \$4,112,678 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)

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. 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, 2018, membership for the Village consisted of:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	9
Inactive Employees Entitled to but not yet Receiving Benefit Payments	-
Active Employees	<u>64</u>
TOTAL	<u><u>73</u></u>

d. Total OPEB Liability

The Village's total OPEB liability of \$1,414,828 was measured as of January 1, 2018 and was determined by an actuarial valuation as of that date.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2018, as determined by an actuarial valuation as of January 1, 2018 actuarial valuation, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updating procedures to December 31, 2018, including updating the discount rate at December 31, 2018, as noted below.

Actuarial Cost Method	Entry-Age Normal
Actuarial Value of Assets	N/A
Salary Increases	2.75%
Discount Rate	4.10%
Healthcare Cost Trend Rates	1.65% to 2.88% Initial 4.00% to 5.00% Ultimate

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

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2018	\$ 1,487,860
Changes for the Period	
Service Cost	65,820
Interest	49,414
Changes in Assumptions	(83,296)
Benefit Payments	<u>(104,970)</u>
Net Changes	<u>(73,032)</u>
BALANCES AT DECEMBER 31, 2018	<u>\$ 1,414,828</u>

There were changes in assumptions related to the discount rate.

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Library calculated using the discount rate of 4.10% as well as what the Library total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.10%) or 1 percentage point higher (5.10%) than the current rate:

	1% Decrease (3.10%)	Current Discount Rate (4.10%)	1% Increase (5.10%)
Total OPEB Liability	\$ 1,545,810	\$ 1,414,828	\$ 1,303,721

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

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Library calculated using the healthcare rate of 1.65%-2.88% to 4.00%-5.00% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower 0.65%-1.88% to 3.00%-4.00% or 1 percentage point higher 2.65%-3.88% to 5.00%-6.00% than the current rate:

	1% Decrease (0.65%-1.88% to 3.00%-4.00%)	Current Healthcare Rate (1.65%-2.88% to 4.00%-5.00%)	1% Increase (2.65%-3.88% to 5.00%-6.00%)
Total OPEB Liability	\$ 1,275,177	\$ 1,414,828	\$ 1,579,521

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the Village recognized OPEB expense of \$107,984. At December 31, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ -
Changes in Assumptions	-	76,047
TOTAL	\$ -	\$ 76,047

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

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	
2019	\$ (7,250)
2020	(7,250)
2021	(7,250)
2022	(7,250)
2023	(7,250)
Thereafter	<u>(39,797)</u>
 TOTAL	 <u>\$ (76,047)</u>

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.

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

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

7. RISK MANAGEMENT (Continued)

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, 2018.

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
Village General Fund	Fiduciary Fund (Firefighters' Pension)	\$ 9,168
TOTAL		\$ 9,168

- The purpose of the \$9,168 due to the General Fund from the Fiduciary Fund is to eliminate negative cash balances; the amounts will be repaid within one year.

b. Transfers

Transfers between funds during the year were as follows:

	Transfers In	Transfers Out
General	\$ -	\$ 747,303
Playground and Recreation	-	61,250
Special Purpose Reserve	400,000	161,445
Debt Service	507,767	-
Capital Improvements	-	99,214
Burlington Northern Parking Meter	100,000	-
Nonmajor Governmental	61,445	-
TOTAL ALL FUNDS	\$ 1,069,212	\$ 1,069,212

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

8. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Transfers (Continued)

The purposes of significant interfund transfers are as follows:

- \$507,767 transferred to the Debt Service Fund from the General Fund (\$347,303) is for the repayment of the 2012A GO Refunding Bonds and the 2015A GO Alternate Revenue Bonds; the Playground and Recreation Fund (\$61,250) is for the repayment of the promissory note dated 2012; and the Capital Improvement Fund (\$99,214) for the repayment of the fire truck note dated 2016.
- \$100,000 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.
- \$400,000 transferred from the General Fund to the Special Purpose Reserve Fund in accordance with the Village reserve policy.
- \$61,445 transferred from the Special Purpose Reserve Fund to the Roadway Grant Fund to cover the Village's portion of a matching grant commitment.

None of the transfers will be repaid.

c. Advance

Advances from/to other funds at December 31, 2018 consist of the following:

	Advance From	Advance To
Special Purpose Reserve Fund	\$ 50,000	\$ -
Nonmajor Governmental Funds (TIF District Fund)	-	50,000
TOTAL	\$ 50,000	\$ 50,000

- The purpose of the \$50,000 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.

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.

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

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.

The table below is a summary for all pension plans as of and for the year ended December 31, 2018:

	IMRF	Police Pension	Firefighters' Pension	Total
Net Pension Liability	\$ 722,262	\$ 14,658,814	\$ 42,293	\$ 15,423,369
Deferred Outflows of Resources	641,780	2,401,645	17,616	3,061,041
Deferred Inflows of Resources	1,352,135	256,504	-	1,608,639
Pension Expense	548,960	2,092,368	11,787	2,653,115

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 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.

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)

Plan Membership

At December 31, 2017, IMRF membership for the Village and the Library combined consisted of:

Inactive Employees or their Beneficiaries	
Currently Receiving Benefits	81
Inactive Employees Entitled to but not yet Receiving Benefits	59
Active Employees	<u>57</u>
 TOTAL	 <u><u>197</u></u>

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, 2018 was 12.62% of covered payroll.

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)

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2017 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, 2017
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	3.00%
Salary Increases	3.39% to 14.25%
Interest Rate	7.50%
Cost of Living Adjustments	3.50%
Asset Valuation Method	Market Value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). 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-2017 (base year 2015). 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-2017 (base year 2015). 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)

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, 2017 was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the city contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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	\$ 25,346,133	\$ 21,875,632	\$ 3,470,501
Changes for the Period			
Service Cost	387,317	-	387,317
Interest	1,870,559	-	1,870,559
Difference between Expected and Actual Experience	57,253	-	57,253
Changes in Assumptions	(791,509)	-	(791,509)
Employer Contributions	-	442,091	(442,091)
Employee Contributions	-	162,317	(162,317)
Net Investment Income	-	3,817,876	(3,817,876)
Benefit Payments and Refunds	-	-	-
Administrative Expense	(1,198,014)	(1,198,014)	-
Other (Net Transfer)	-	(282,102)	282,102
Net Changes	325,606	2,942,168	(2,616,562)
BALANCES AT DECEMBER 31, 2017	\$ 25,671,739	\$ 24,817,800	\$ 853,939

There were changes in assumptions related to salary rates, inflation rates and mortality.

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)

Changes in the Net Pension Liability (Continued)

The table presented above includes amounts for both the Village and the Library. The Village's proportionate share of the net pension liability at January 1, 2017, the employer contributions and the net pension liability at December 31, 2017 was \$2,935,350, \$377,147 and \$722,262, respectively. The Library's proportionate share of the net pension liability at January 1, 2017, the employer contributions and the net pension liability at December 31, 2017 was \$535,151, \$64,944 and \$131,677, respectively.

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

For the year ended December 31, 2018, the Village recognized pension expense of \$548,960.

At December 31, 2018, 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
	<u> </u>	<u> </u>
Difference Between Expected and Actual Experience	\$ 267,436	\$ 12,126
Changes in Assumption	849	463,039
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	876,970
Contributions Made Subsequent to the Measurement Date	373,495	-
	<u> </u>	<u> </u>
TOTAL	<u>\$ 641,780</u>	<u>\$ 1,352,135</u>

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)

\$373,495 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, 2019. 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>	
2019	\$ (56,827)
2020	(307,790)
2021	(345,384)
2022	<u>(373,849)</u>
 TOTAL	 <u>\$ (1,083,850)</u>

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the pension liability (asset) of the Village calculated using the discount rate of 7.50% as well as what the Village's net pension liability (asset) 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 (Asset) (Village)	\$ 3,347,585	\$ 722,262	\$ (1,450,933)
Net Pension Liability (Asset) (Library)	610,307	131,677	(264,523)
 Net Pension Liability (Asset) (Total)	 <u>\$ 3,957,892</u>	 <u>\$ 853,939</u>	 <u>\$ (1,715,456)</u>

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

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, 2018, the measurement date, membership consisted of:

Inactive plan members of beneficiaries	
currently receiving benefits	24
Inactive plan members entitled to	
but not yet receiving benefits	1
Active employees	<u>21</u>
 TOTAL	 <u><u>46</u></u>

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 1st 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 2033. For the year ended December 31, 2018, the Village's contribution was 56.38% of covered payroll.

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy

ILCS limits 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 The 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, 2018 are listed in the table on the previous page.

Investment Concentrations

There are no significant investments (other than United States Government guaranteed obligations) in any one organization (except for individual mutual fund investments) that represent 5% or more of the Fund's investments.

Investment Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (4.28%). 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, 2018:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Agency Obligations	\$ 1,231,741	\$ -	\$ 91,939	\$ 10,440	\$ 1,129,362
U.S. Treasury Obligations	1,259,913	347,619	415,558	476,253	20,483
Municipal Bonds	290,182	29,665	145,254	-	115,263
Corporate Bonds	2,673,000	314,153	1,844,746	423,690	90,411
TOTAL	\$ 5,454,836	\$ 691,437	\$ 2,497,497	\$ 910,383	\$ 1,355,519

The Fund has the following recurring fair value measurements as of December 31, 2018: 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, 2018	\$ 28,457,524	\$ 15,610,255	\$ 12,847,269
Changes for the Period			
Service Cost	432,813	-	432,813
Interest	1,869,809	-	1,869,809
Difference between Expected and Actual Experience	209,130	-	209,130
Changes in Assumptions	6,733	-	6,733
Employer Contributions	-	1,211,088	(1,211,088)
Employee Contributions	-	188,992	(188,992)
Net Investment Income	-	(684,407)	684,407
Benefit Payments and Refunds	(1,513,287)	(1,513,287)	-
Administrative Expense	-	(8,733)	8,733
Net Changes	1,005,198	(806,347)	1,811,545
BALANCES AT DECEMBER 31, 2018	\$ 29,462,722	\$ 14,803,908	\$ 14,658,814

There was a change with respect to actuarial assumptions in 2018 to reflect revised expectations with respect to the assumed rate on High Quality 20 Year Tax-Exempt General Obligation Bonds as it was changed from 3.44% to 4.10% for the current year. The pay scale assumption was also reviewed and modified to reflect the newly settled bargaining agreement between the Village and the Metropolitan Alliance of Police Chapter 360.

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

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, 2018
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	2.50% to 11.65%
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 2017 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	\$ 18,533,578	\$ 14,658,814	\$ 11,472,888

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, 2018, the Village recognized pension expense of \$2,092,368. At December 31, 2018, 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	\$ 869,442	\$ -
Changes in Assumptions	505,039	256,504
Net Difference between Projected and Actual Earnings on Pension Plan Investments	<u>1,027,164</u>	<u>-</u>
TOTAL	<u><u>\$ 2,401,645</u></u>	<u><u>\$ 256,504</u></u>

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:

<u>Year Ending December 31,</u>	
2019	\$ 1,024,566
2020	339,367
2021	245,588
2022	471,227
2023	62,262
2024	<u>2,131</u>
TOTAL	<u><u>\$ 2,145,141</u></u>

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

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, 2018, the measurement date, membership consisted of:

Inactive plan members or beneficiaries	
currently receiving benefits	1
Inactive plan members entitled to	
but not yet receiving benefits	-
Active employees	-
	<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 2.50% 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 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or 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)

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 2033. For the year ended December 31, 2018, 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 The 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, 2018 are listed in the table on the previous page.

Concentrations

The Fund had investments in one certificates of deposit and one money market account at December 31, 2018 that individually represent 5% or more of the Fund's investments.

Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 0.97%. 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, 2018	\$ 310,272	\$ 272,819	\$ 37,453
Changes for the Period			
Service Cost	-	-	-
Interest	11,988	-	11,988
Difference between Expected and Actual Experience	2,809	-	2,809
Changes in Assumptions	-	-	-
Employer Contributions	-	7,574	(7,574)
Employee Contributions	-	-	-
Net Investment Income	-	2,619	(2,619)
Benefit Payments and Refunds	(21,148)	(21,148)	-
Administrative Expense	-	(236)	236
Net Changes	(6,351)	(11,191)	4,840
BALANCES AT DECEMBER 31, 2018	\$ 303,921	\$ 261,628	\$ 42,293

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

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, 2018
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	\$ 73,438	\$ 42,293	\$ 13,579

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, 2018, the Village recognized pension expense of \$11,787. At December 31, 2018, 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	<u>17,616</u>	-
TOTAL	<u><u>\$ 17,616</u></u>	<u><u>\$ -</u></u>

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>	
2019	\$ 7,390
2020	5,346
2021	3,278
2022	1,602
2023	<u>-</u>
TOTAL	<u><u>\$ 17,616</u></u>

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

11. CHANGE IN ACCOUNTING PRINCIPLE

The Village adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended December 31, 2018. The implementation of this guidance resulted in changes to the postemployment benefit related liability, revenue, expense, notes presented in the notes to financial statements and to the required supplementary information. The beginning net position reported in the government-wide financial statements has been restated to reflect the new guidance as follows:

GOVERNMENTAL ACTIVITIES

BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	<u>\$ 67,280,883</u>
Change in Accounting Principle	
To Write-Off the Village OPEB Obligation	141,177
To Record the Village OPEB Liability	<u>(1,169,051)</u>
Total Change in Accounting Principle	<u>(1,027,874)</u>
BEGINNING NET POSITION, RESTATED	<u><u>\$ 66,253,009</u></u>

BUSINESS-TYPE ACTIVITIES (IN TOTAL)

BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	<u>\$ 8,438,055</u>
Change in Accounting Principle	
To Record the Village OPEB Liability	<u>(318,811)</u>
Total Change in Accounting Principle	<u>(318,811)</u>
BEGINNING NET POSITION, RESTATED	<u><u>\$ 8,119,244</u></u>

WATER/SEWER

BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	<u>\$ 5,054,023</u>
Change in Accounting Principle	
To Record the Village OPEB Liability	<u>(297,918)</u>
Total Change in Accounting Principle	<u>(297,918)</u>
BEGINNING NET POSITION, RESTATED	<u><u>\$ 4,756,105</u></u>

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

11. CHANGE IN ACCOUNTING PRINCIPLE (Continued)

BURLINGTON NORTHERN PARKING

BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	<u>\$ 3,384,032</u>
Change in Accounting Principle	
To Record the Village OPEB Liability	<u>(20,893)</u>
Total Change in Accounting Principle	<u>(20,893)</u>
BEGINNING NET POSITION, RESTATED	<u>\$ 3,363,139</u>

With the implementation of GASB Statement No. 75, the Village is required to retroactively record the OPEB liability and write-off any previously recorded net OPEB obligations.

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, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 7,136,854	\$ 7,136,854	\$ 7,106,577
Licenses and Permits	1,534,525	1,534,525	1,612,231
Intergovernmental	1,285,276	1,285,276	1,388,941
Charges for Services	839,708	839,708	836,885
Fines and Forfeits	305,000	305,000	394,069
Investment Income	30,850	30,850	86,809
Miscellaneous	23,910	23,910	37,429
	<hr/>	<hr/>	<hr/>
Total Revenues	11,156,123	11,156,123	11,462,941
EXPENDITURES			
General Government	2,080,055	2,116,505	1,934,365
Public Safety	6,965,688	6,990,688	6,799,863
Municipal Services	1,734,315	1,784,315	1,683,324
	<hr/>	<hr/>	<hr/>
Total Expenditures	10,780,058	10,891,508	10,417,552
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<hr/>	<hr/>	<hr/>
	376,065	264,615	1,045,389
OTHER FINANCIAL SOURCES (USES)			
Transfers (Out)	(347,303)	(747,303)	(747,303)
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	(347,303)	(747,303)	(747,303)
NET CHANGE IN FUND BALANCE			
	<hr/>	<hr/>	<hr/>
	\$ 28,762	\$ (482,688)	298,086
FUND BALANCE, JANUARY 1			
			<hr/>
			3,925,089
FUND BALANCE, DECEMBER 31			
			<hr/>
			\$ 4,223,175

(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, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Property Taxes	\$ 348,756	\$ 348,756	\$ 360,895
Charges for Services	1,256,450	1,256,450	1,104,937
Investment Income	3,200	3,200	10,205
Miscellaneous			
Rentals	202,700	202,700	220,329
Other	8,000	8,000	6,814
	<hr/>	<hr/>	<hr/>
Total Revenues	1,819,106	1,819,106	1,703,180
EXPENDITURES			
Current			
General Government			
Legal Services	2,500	2,500	3,016
Municipal Services			
Municipal Properties	73,000	73,000	70,360
Culture and Recreation			
Personnel Services	575,194	575,194	544,549
Other Personnel Benefits	115,651	115,651	107,484
Contractual Services	574,407	574,407	505,168
Commodities	187,045	187,045	188,551
Capital Outlay			
Building Improvements	260,000	370,000	335,693
Other Capital Outlay	29,000	29,000	29,000
	<hr/>	<hr/>	<hr/>
Total Expenditures	1,816,797	1,926,797	1,783,821
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	2,309	(107,691)	(80,641)
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(62,300)	(62,300)	(61,250)
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	(62,300)	(62,300)	(61,250)
NET CHANGE IN FUND BALANCE	<hr/>	<hr/>	<hr/>
	\$ (59,991)	\$ (169,991)	(141,891)
FUND BALANCE, JANUARY 1			<hr/>
			503,058
FUND BALANCE, DECEMBER 31			<hr/>
			\$ 361,167

(See independent auditor's report.)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2018

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)

2. INDIVIDUAL FUND DISCLOSURES

The following funds had expenditures in excess of budget:

<u>Fund</u>	<u>Excess</u>
Motor Fuel Tax	\$ 5,645
TIF District	2,445
Special Purpose Reserve	98
Capital Improvement	1,638,805

VILLAGE OF WESTERN SPRINGS, ILLINOIS

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

Last Four Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017	2018
Actuarially Determined Contribution	\$ 376,238	\$ 450,423	\$ 377,147	\$ 373,494
Contributions in Relation to the Actuarially Determined Contribution	<u>376,238</u>	<u>450,423</u>	<u>377,147</u>	<u>373,494</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 2,953,517	\$ 3,027,099	\$ 3,187,414	\$ 3,021,584
Contributions as a Percentage of Covered Payroll	12.74%	14.88%	11.83%	12.36%

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 26 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 Eight Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2011	2012	2013	2014	2015	2016	2017	2018
Actuarially Determined Contribution	\$ 658,462	\$ 680,813	\$ 702,760	\$ 782,813	\$ 858,424	\$ 902,524	\$ 1,027,880	\$ 1,177,804
Contribution in Relation to the Actuarially Determined Contribution	682,051	668,255	706,581	792,475	866,366	914,178	1,031,743	1,211,088
CONTRIBUTION DEFICIENCY (Excess)	\$ (23,589)	\$ 12,558	\$ (3,821)	\$ (9,662)	\$ (7,942)	\$ (11,654)	\$ (3,863)	\$ (33,284)
Covered Payroll	\$ 1,660,674	\$ 1,681,432	\$ 1,646,755	\$ 1,616,547	\$ 1,668,180	\$ 1,683,501	\$ 1,742,424	\$ 2,139,072
Contributions as a Percentage of Covered Payroll	41.07%	39.74%	42.91%	49.02%	51.93%	54.30%	59.21%	56.62%

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 17 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 2.50% to 11.65% 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 Eight Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2011	2012	2013	2014	2015	2016	2017	2018
Actuarially Determined Contribution	\$ 300	\$ -	\$ -	\$ -	\$ -	\$ 1,679	\$ 3,473	\$ 3,077
Contribution in Relation to the Actuarially Determined Contribution	3,006	5,958	5,765	5,644	11,742	11,692	12,355	7,574
CONTRIBUTION DEFICIENCY (Excess)	\$ (2,706)	\$ (5,958)	\$ (5,765)	\$ (5,644)	\$ (11,742)	\$ (10,013)	\$ (8,882)	\$ (4,497)
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered Payroll	0.00%	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 17 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 2.50% 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 Four Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017
Employer's Proportion of Net Pension Liability	85.69%	85.69%	84.58%	84.58%
Employer's Proportionate Share of Net Pension Liability	\$ 1,655,157	\$ 2,577,779	\$ 2,935,350	\$ 722,262
Employer's Covered Payroll	2,953,517	3,027,099	3,187,414	3,021,584
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	56.04%	85.16%	92.09%	23.90%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.14%	87.17%	86.31%	96.67%

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 Five Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018
TOTAL PENSION LIABILITY					
Service Cost	\$ 361,067	\$ 348,591	\$ 393,740	\$ 406,023	\$ 432,813
Interest	1,475,258	1,516,304	1,735,345	1,784,939	1,869,809
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	-	282,683	552,240	559,494	209,130
Changes of Assumptions*	-	2,384,030	(558,277)	-	6,733
Benefit Payments, Including Refunds of Member Contributions	(1,187,037)	(1,269,432)	(1,303,684)	(1,472,953)	(1,513,287)
Net Change in Total Pension Liability	649,288	3,262,176	819,364	1,277,503	1,005,198
Total Pension Liability - Beginning	22,449,193	23,098,481	26,360,657	27,180,021	28,457,524
TOTAL PENSION LIABILITY - ENDING	\$ 23,098,481	\$ 26,360,657	\$ 27,180,021	\$ 28,457,524	\$ 29,462,722
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 792,475	\$ 866,366	\$ 914,178	\$ 1,031,743	\$ 1,211,088
Contributions - Member	165,553	243,375	189,425	240,997	188,992
Net Investment Income	417,115	(36,617)	583,789	2,047,701	(684,407)
Benefit Payments, Including Refunds of Member Contributions	(1,187,037)	(1,269,432)	(1,303,684)	(1,472,953)	(1,513,287)
Administrative Expense	(6,314)	(11,769)	(7,333)	(7,488)	(8,733)
Net Change in Plan Fiduciary Net Position	181,792	(208,077)	376,375	1,840,000	(806,347)
Plan Net Position - Beginning	13,420,165	13,601,957	13,393,880	13,770,255	15,610,255
PLAN FIDUCIARY NET POSITION - ENDING	\$ 13,601,957	\$ 13,393,880	\$ 13,770,255	\$ 15,610,255	\$ 14,803,908
EMPLOYER'S NET PENSION LIABILITY	\$ 9,496,524	\$ 12,966,777	\$ 13,409,766	\$ 12,847,269	\$ 14,658,814
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.90%	50.80%	50.70%	54.90%	50.20%
Covered Payroll	\$ 1,584,850	\$ 1,668,180	\$ 1,683,501	\$ 1,742,424	\$ 2,139,072
Employer's Net Pension Liability as a Percentage of Covered Payroll	599.20%	777.30%	796.50%	737.30%	685.30%

*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. There was a change with respect to actuarial assumptions in 2018 to reflect revised expectations with respect to the assumed rate on High Quality 20 Year Tax-Exempt General Obligation Bonds as it was changed from 3.44% to 4.10% for the current year. The pay scale assumption was also reviewed and modified to reflect the newly settled bargaining agreement between the Village and the Metropolitan Alliance of Police Chapter 360.

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 Five Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018
TOTAL PENSION LIABILITY					
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	12,821	12,487	13,256	12,237	11,988
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	-	1,364	1,619	2,679	2,809
Changes of Assumptions*	-	26,515	(19,200)	-	-
Benefit Payments, Including Refunds of Member Contributions	(21,148)	(21,148)	(21,148)	(21,148)	(21,148)
Net Change in Total Pension Liability	(8,327)	19,218	(25,473)	(6,232)	(6,351)
Total Pension Liability - Beginning	331,086	322,759	341,977	316,504	310,272
TOTAL PENSION LIABILITY - ENDING	\$ 322,759	\$ 341,977	\$ 316,504	\$ 310,272	\$ 303,921
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 5,644	\$ 11,742	\$ 11,692	\$ 12,355	\$ 7,574
Contributions - Member	-	-	-	-	-
Net Investment Income	1,821	1,432	976	2,604	2,619
Benefit Payments, Including Refunds of Member Contributions	(21,148)	(21,148)	(21,148)	(21,148)	(21,148)
Administrative Expense	(815)	(222)	(173)	(58)	(236)
Net Change in Plan Fiduciary Net Position	(14,498)	(8,196)	(8,653)	(6,247)	(11,191)
Plan Net Position - Beginning	310,413	295,915	287,719	279,066	272,819
PLAN FIDUCIARY NET POSITION - ENDING	\$ 295,915	\$ 287,719	\$ 279,066	\$ 272,819	\$ 261,628
EMPLOYER'S NET PENSION LIABILITY	\$ 26,844	\$ 54,258	\$ 37,438	\$ 37,453	\$ 42,293
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.70%	84.10%	88.20%	87.90%	86.10%
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Net Pension Liability as a Percentage of Covered Payroll	0.00%	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 Five Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018
Annual Money-Weighted Rate of Return, Net of Investment Expense	3.36%	0.22%	4.77%	15.06%	(4.28%)

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 Five Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018
Annual Money-Weighted Rate of Return, Net of Investment Expense	0.50%	0.00%	0.00%	0.00%	0.97%

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
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Fiscal Year

MEASUREMENT DATE DECEMBER 31,	2018
TOTAL OPEB LIABILITY	
Service Cost	\$ 65,820
Interest	49,414
Changes of Assumptions	(83,296)
Benefit Payments	<u>(104,970)</u>
Net Change in Total OPEB Liability	(73,032)
Total OPEB Liability - Beginning	<u>1,487,860</u>
TOTAL OPEB LIABILITY - ENDING	<u>\$ 1,414,828</u>
Covered-Employee Payroll	\$ 6,470,826
Employer's Total OPEB Liability as a Percentage of Covered-Employee Payroll	21.86%

During 2018, the following changes in assumptions were made: The discount rate was changed from 3.44% to 4.10%.

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.)

**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, 2018

	Original Budget	Final Budget	Actual
TAXES			
Property Taxes	\$ 4,761,854	\$ 4,761,854	\$ 4,631,666
Property Taxes - Road and Bridge	140,000	140,000	147,562
Property Taxes - Prior	-	-	10,137
Sales Tax	980,000	980,000	1,030,151
Electric Utility Tax	370,000	370,000	404,745
Telecommunication Tax	365,000	365,000	299,547
Gas Utility Tax	185,000	185,000	201,622
Local Use Tax	335,000	335,000	381,147
Total Taxes	7,136,854	7,136,854	7,106,577
LICENSES AND PERMITS			
Business	97,000	97,000	117,190
Alarm Permits	325	325	625
Franchise Fees	270,000	270,000	268,606
Building Permits	530,000	530,000	529,490
Building Permits - Timber Trails	185,000	185,000	246,323
Motor Vehicle Licenses	415,000	415,000	414,257
Animal Licenses	16,000	16,000	14,952
Liquor Licenses	18,000	18,000	17,988
False Alarm	3,200	3,200	2,800
Total Licenses and Permits	1,534,525	1,534,525	1,612,231
INTERGOVERNMENTAL			
Replacement Taxes	31,500	31,500	28,008
Income Tax	1,161,262	1,161,262	1,242,565
Foreign Fire Insurance	19,678	19,678	20,272
Law Enforcement Training	1,500	1,500	11,728
Fire/EMS Training	-	-	10,762
IDOT State Route Maintenance	15,000	15,000	16,341
Park District Administrative Fees	11,936	11,936	12,664
Public Safety Grants/Fiber Reimbursement	44,400	44,400	46,601
Total Intergovernmental	1,285,276	1,285,276	1,388,941

(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, 2018

	Original Budget	Final Budget	Actual
CHARGES FOR SERVICES			
Refuse Fees	\$ 138,000	\$ 138,000	\$ 140,865
Ambulance Fees	210,000	210,000	192,111
Police Contractual Services	94,200	94,200	89,132
Variation Fees/Tree Removal	-	-	12,950
Report Fees	1,000	1,000	1,145
Plan Review Fees	130,000	130,000	154,432
Rental of Village Property	266,508	266,508	246,250
Total Charges for Services	839,708	839,708	836,885
FINES AND FORFEITS			
Court Fines - 5th District	20,000	20,000	13,292
Court Fines - Parking	125,000	125,000	158,993
Photo Enforcement Fine	160,000	160,000	221,784
Total Fines and Forfeits	305,000	305,000	394,069
INVESTMENT INCOME	30,850	30,850	86,809
MISCELLANEOUS			
Tree Replacement Program	10,000	10,000	10,320
Sidewalk/Apron Replacement	2,500	2,500	2,531
LES Reimbursements	3,500	3,500	-
Miscellaneous	7,910	7,910	24,578
Total Miscellaneous	23,910	23,910	37,429
TOTAL REVENUES	\$ 11,156,123	\$ 11,156,123	\$ 11,462,941

(See independent auditor's report.)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

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

For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT			
General Administration and Finance			
Board of Trustees	\$ 133,376	\$ 133,376	\$ 107,974
Administrative	647,105	683,555	622,879
Legal Services	233,000	233,000	219,458
Management Services	437,779	437,779	410,289
Financial Management and Administration	487,105	487,105	452,790
Communications	141,690	141,690	120,975
	<hr/>	<hr/>	<hr/>
Total General Government	2,080,055	2,116,505	1,934,365
PUBLIC SAFETY			
Police Administration	1,811,352	1,811,352	1,772,861
Patrol Services	1,649,585	1,674,585	1,625,690
Criminal Investigation	400,384	400,384	386,869
Crime Prevention/Youth Investigation	132,684	132,684	116,557
Communications Information Management	410,000	410,000	399,108
Parking Enforcement/Ordinance Control	167,176	167,176	169,146
Fire Services Administration	593,703	593,703	580,786
Fire Suppression and Emergency Medical	327,027	327,027	252,156
Emergency Medical Services	656,607	656,607	661,559
Emergency Medical Services Training/ Public Education	95,830	95,830	70,460
Fire Prevention	67,199	67,199	67,502
Emergency Services and Disaster Agency	648,881	648,881	694,022
Code Enforcement	5,260	5,260	3,147
	<hr/>	<hr/>	<hr/>
Total Public Safety	6,965,688	6,990,688	6,799,863
MUNICIPAL SERVICES			
Administration	161,219	161,219	138,238
Public Right of Way Maintenance	549,988	549,988	486,931
Vehicle and Equipment Maintenance	291,751	291,751	340,251
Municipal Properties	223,920	223,920	168,381
Forestry	507,437	507,437	499,098
Tollway Project	-	50,000	50,425
	<hr/>	<hr/>	<hr/>
Total Municipal Services	1,734,315	1,784,315	1,683,324
TOTAL EXPENDITURES	<hr/> \$ 10,780,058	<hr/> \$ 10,891,508	<hr/> \$ 10,417,552

(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, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Property Taxes	\$ 207,700	\$ 207,700	\$ 215,777
Intergovernmental	-	-	3,374
Investment Income	5,500	5,500	15,524
Total Revenues	213,200	213,200	234,675
EXPENDITURES			
Current			
General Administration			
Contractual Services	13,000	13,000	8,193
Intergovernmental	-	-	1,925,000
Capital Outlay	1,108,500	1,131,250	849,862
Total Expenditures	1,121,500	1,144,250	2,783,055
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	(908,300)	(931,050)	(2,548,380)
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(41,962)	(99,214)	(99,214)
Notes Issued, at Par	500,000	500,000	500,000
Bonds Issued, at Par	-	-	1,925,000
Sale of Capital Assets	15,000	15,000	19,774
Total Other Financing Sources (Uses)	473,038	415,786	2,345,560
NET CHANGE IN FUND BALANCE	\$ (435,262)	\$ (515,264)	(202,820)
FUND BALANCE, JANUARY 1			1,032,608
FUND BALANCE, DECEMBER 31			\$ 829,788

(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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Property Taxes	\$ 4,281	\$ 4,281	\$ 4,354
Investment Income	22,000	22,000	61,219
Miscellaneous	-	-	88,037
	<hr/>	<hr/>	<hr/>
Total Revenues	26,281	26,281	153,610
EXPENDITURES			
Municipal Services			
Administration	217,346	217,346	252,377
Capital Outlay	1,400,000	1,400,000	1,101,097
	<hr/>	<hr/>	<hr/>
Total Expenditures	1,617,346	1,617,346	1,353,474
NET CHANGE IN FUND BALANCE	<u>\$ (1,591,065)</u>	<u>\$ (1,591,065)</u>	(1,199,864)
FUND BALANCE, JANUARY 1			<hr/> 4,666,041
FUND BALANCE, DECEMBER 31			<hr/> <u>\$ 3,466,177</u>

(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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Investment Income	\$ 7,800	\$ 7,800	\$ 15,781
Total Revenues	<u>7,800</u>	<u>7,800</u>	<u>15,781</u>
EXPENDITURES			
None	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 7,800</u>	<u>\$ 7,800</u>	15,781
FUND BALANCE, JANUARY 1			<u>99,090</u>
FUND BALANCE, DECEMBER 31			<u>\$ 114,871</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, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Investment Income	\$ 17,300	\$ 17,300	\$ 26,449
Total Revenues	17,300	17,300	26,449
EXPENDITURES			
Municipal Services Administration	-	-	98
Total Expenditures	-	-	98
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	17,300	17,300	26,351
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	400,000
Transfers (Out)	(480,000)	(480,000)	(161,445)
Total Other Financing Sources (Uses)	(480,000)	(480,000)	238,555
NET CHANGE IN FUND BALANCE	<u>\$ (462,700)</u>	<u>\$ (462,700)</u>	264,906
FUND BALANCE, JANUARY 1			<u>1,984,914</u>
FUND BALANCE, DECEMBER 31			<u>\$ 2,249,820</u>

(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, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Property Taxes	\$ 1,258,120	\$ 1,258,120	\$ 1,226,379
Investment Income	2,600	2,600	12,002
Total Revenues	<u>1,260,720</u>	<u>1,260,720</u>	<u>1,238,381</u>
EXPENDITURES			
Debt Service			
Principal Retirement	1,156,000	1,206,000	1,206,000
Interest and Fees	481,665	488,917	487,291
Total Expenditures	<u>1,637,665</u>	<u>1,694,917</u>	<u>1,693,291</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(376,945)</u>	<u>(434,197)</u>	<u>(454,910)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	<u>449,813</u>	<u>449,813</u>	<u>507,767</u>
Total Other Financing Sources (Uses)	<u>449,813</u>	<u>449,813</u>	<u>507,767</u>
NET CHANGE IN FUND BALANCE	<u>\$ 72,868</u>	<u>\$ 15,616</u>	<u>52,857</u>
FUND BALANCE, JANUARY 1			<u>211,377</u>
FUND BALANCE, DECEMBER 31			<u>\$ 264,234</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, 2018

	Capital Projects		Special Revenue		Total Nonmajor Governmental Funds
	CBD Parking	Roadway Grant	TIF District	Motor Fuel Tax	
ASSETS					
Cash and Cash Equivalents	\$ 95,608	\$ 9,279	\$ 66,536	\$ 430,563	\$ 601,986
Investments	-	-	-	1,682,986	1,682,986
Receivables					
Interest	-	-	-	738	738
Miscellaneous	250	-	-	-	250
Due from Other Governments	-	-	-	28,181	28,181
TOTAL ASSETS	\$ 95,858	\$ 9,279	\$ 66,536	\$ 2,142,468	\$ 2,314,141
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 592	\$ 4,664	\$ -	\$ -	\$ 5,256
Unearned Parking Permit Revenue	7,250	-	-	-	7,250
Advances from Other Funds	-	-	50,000	-	50,000
Total Liabilities	7,842	4,664	50,000	-	62,506
DEFERRED INFLOWS OF RESOURCES					
None	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	7,842	4,664	50,000	-	62,506
FUND BALANCES					
Restricted					
Maintenance of Roadways	-	-	-	2,142,468	2,142,468
Economic Development	-	-	16,536	-	16,536
Unrestricted					
Assigned for Capital Projects	-	4,615	-	-	4,615
Assigned for Commuter Improvements	88,016	-	-	-	88,016
Unassigned	-	-	-	-	-
Total Fund Balances	88,016	4,615	16,536	2,142,468	2,251,635
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 95,858	\$ 9,279	\$ 66,536	\$ 2,142,468	\$ 2,314,141

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, 2018

	Capital Projects		Special Revenue		Total Nonmajor Governmental Funds
	CBD Parking	Roadway Grant	TIF District	Motor Fuel Tax	
REVENUES					
Property Taxes	\$ -	\$ -	\$ 58,849	\$ -	\$ 58,849
Intergovernmental	-	-	-	332,104	332,104
Charges for Services	16,600	-	-	-	16,600
Investment Income	534	-	337	22,663	23,534
Total Revenues	17,134	-	59,186	354,767	431,087
EXPENDITURES					
Current					
Economic Development	-	-	2,445	-	2,445
Capital Outlay	4,445	61,445	-	130,645	196,535
Total Expenditures	4,445	61,445	2,445	130,645	198,980
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	12,689	(61,445)	56,741	224,122	232,107
OTHER FINANCING SOURCES (USES)					
Transfers In	-	61,445	-	-	61,445
Total Other Financing Sources (Uses)	-	61,445	-	-	61,445
NET CHANGE IN FUND BALANCES	12,689	-	56,741	224,122	293,552
FUND BALANCES (DEFICIT), JANUARY 1	75,327	4,615	(40,205)	1,918,346	1,958,083
FUND BALANCES, DECEMBER 31	<u>\$ 88,016</u>	<u>\$ 4,615</u>	<u>\$ 16,536</u>	<u>\$ 2,142,468</u>	<u>\$ 2,251,635</u>

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, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Charges for Services	\$ 18,000	\$ 18,000	\$ 16,600
Investment Income	-	-	534
Total Revenues	<u>18,000</u>	<u>18,000</u>	<u>17,134</u>
EXPENDITURES			
Capital Outlay	<u>10,000</u>	<u>14,000</u>	<u>4,445</u>
Total Expenditures	<u>10,000</u>	<u>14,000</u>	<u>4,445</u>
NET CHANGE IN FUND BALANCE	<u>\$ 8,000</u>	<u>\$ 4,000</u>	12,689
FUND BALANCE, JANUARY 1			<u>75,327</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 88,016</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, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental	\$ 64,180	\$ 64,180	\$ -
Total Revenues	64,180	64,180	-
EXPENDITURES			
Capital Outlay	65,800	65,800	61,445
Total Expenditures	65,800	65,800	61,445
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,620)	(1,620)	(61,445)
OTHER FINANCING SOURCES (USES)			
Transfers In	80,000	80,000	61,445
Total Other Financing Sources (Uses)	80,000	80,000	61,445
NET CHANGE IN FUND BALANCE	<u>\$ 78,380</u>	<u>\$ 78,380</u>	-
FUND BALANCE, JANUARY 1			<u>4,615</u>
FUND BALANCE, DECEMBER 31			<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, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Property Taxes	\$ 10,000	\$ 10,000	\$ 58,849
Investment Income	-	-	337
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>59,186</u>
EXPENDITURES			
Current			
Economic Development			
Professional Services	-	-	2,445
Total Expenditures	<u>-</u>	<u>-</u>	<u>2,445</u>
NET CHANGE IN FUND BALANCE	<u>\$ 10,000</u>	<u>\$ 10,000</u>	56,741
FUND BALANCE (DEFICIT), JANUARY 1			<u>(40,205)</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 16,536</u></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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Intergovernmental			
State Motor Fuel Tax	\$ 334,107	\$ 334,107	\$ 332,104
Investment Income	10,000	10,000	22,663
	<hr/>		
Total Revenues	344,107	344,107	354,767
	<hr/>		
EXPENDITURES			
Current			
Capital Outlay			
Highways and Streets	125,000	125,000	130,645
	<hr/>		
Total Expenditures	125,000	125,000	130,645
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ 219,107</u>	<u>\$ 219,107</u>	224,122
FUND BALANCE, JANUARY 1			<u>1,918,346</u>
FUND BALANCE, DECEMBER 31			<u>\$ 2,142,468</u>

(See independent auditor's report.)

MAJOR ENTERPRISE FUND

VILLAGE OF WESTERN SPRINGS, ILLINOIS
COMBINING SCHEDULE OF NET POSITION
WATERWORKS AND SEWERAGE DIVISION ACCOUNTS

December 31, 2018

	Capital Improvement	Operating and Maintenance	Eliminations	Total
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 252,043	\$ 707,797	\$ -	\$ 959,840
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)				
Property Taxes	-	95,776	-	95,776
Accounts	-	654,765	-	654,765
Total Current Assets	252,043	1,458,338	-	1,710,381
NONCURRENT ASSETS				
Capital Assets				
Cost	-	26,021,317	-	26,021,317
Accumulated Depreciation	-	(13,199,516)	-	(13,199,516)
Net Capital Assets	-	12,821,801	-	12,821,801
Total Noncurrent Assets	-	12,821,801	-	12,821,801
Total Assets	252,043	14,280,139	-	14,532,182
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized Loss on Refunding	-	4,209	-	4,209
Pension Items - IMRF	-	189,544	-	189,544
Total Deferred Outflows of Resources	-	193,753	-	193,753
Total Assets and Deferred Outflows of Resources	252,043	14,473,892	-	14,725,935
CURRENT LIABILITIES				
Accounts Payable	-	150,864	-	150,864
Accrued Interest	-	3,593	-	3,593
Accrued Payroll	-	18,578	-	18,578
Deposits Payable	-	22,971	-	22,971
Other Payables	-	23	-	23
Current Portion of Compensated Absences	-	4,405	-	4,405
Current Portion of OPEB Liability	-	21,018	-	21,018
Current Portion of IEPA Loan Payable	-	441,676	-	441,676
Current Portion of Promissory Note Payable	-	50,000	-	50,000
Current Portion of General Obligation Bonds Payable	-	190,000	-	190,000
Total Current Liabilities	-	903,128	-	903,128
NONCURRENT LIABILITIES				
Compensated Absences	-	39,648	-	39,648
General Obligation Bonds Payable	-	200,000	-	200,000
Promissory Note Payable	-	400,000	-	400,000
IEPA Loan Payable	-	6,655,955	-	6,655,955
OPEB Liability	-	262,276	-	262,276
Net Pension Liability - IMRF	-	213,314	-	213,314
Total Noncurrent Liabilities	-	7,771,193	-	7,771,193
Total Liabilities	-	8,674,321	-	8,674,321

This schedule is continued on the following page.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

COMBINING SCHEDULE OF NET POSITION (Continued)
 WATERWORKS AND SEWERAGE DIVISION ACCOUNTS

December 31, 2018

	<u>Capital Improvement</u>	<u>Operating and Maintenance</u>	<u>Eliminations</u>	<u>Total</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Taxes	\$ -	\$ 95,547	\$ -	\$ 95,547
OPEB Items	-	15,227	-	15,227
Pension Items - IMRF	-	399,342	-	399,342
	<hr/>			
Total Deferred Inflows of Resources	-	510,116	-	510,116
	<hr/>			
Total Liabilities and Deferred Inflows of Resources	-	9,184,437	-	9,184,437
	<hr/>			
NET POSITION				
Net Investment in Capital Assets	-	5,001,026	-	5,001,026
Unrestricted	252,043	288,429	-	540,472
	<hr/>			
TOTAL NET POSITION	\$ 252,043	\$ 5,289,455	\$ -	\$ 5,541,498
	<hr/>			

(See independent auditor's report.)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
WATERWORKS AND SEWERAGE DIVISION ACCOUNTS

For the Year Ended December 31, 2018

	Capital Improvement	Operating and Maintenance	Eliminations	Total
OPERATING REVENUES				
Charges for Services	\$ 137,711	\$ 3,974,967	\$ -	\$ 4,112,678
Total Operating Revenues	137,711	3,974,967	-	4,112,678
OPERATING EXPENSES				
Personal Services	-	1,211,118	-	1,211,118
Contractual Services	-	989,202	-	989,202
Supplies and Commodities	-	418,278	-	418,278
Total Operating Expenses	-	2,618,598	-	2,618,598
Operating Income (Loss) Before Depreciation	137,711	1,356,369	-	1,494,080
DEPRECIATION	-	749,328	-	749,328
OPERATING INCOME (LOSS)	137,711	607,041	-	744,752
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	-	33,121	-	33,121
Miscellaneous	-	29,160	-	29,160
Property Taxes	-	112,281	-	112,281
Gain (Loss) on Sale of Capital Assets	-	(9,005)	-	(9,005)
Interest Expense	-	(124,916)	-	(124,916)
Total Non-Operating Revenues (Expenses)	-	40,641	-	40,641
NET INCOME BEFORE TRANSFERS	137,711	647,682	-	785,393
TRANSFERS				
Transfers In	114,332	-	(114,332)	-
Transfers (Out)	-	(114,332)	114,332	-
Total Transfers	114,332	(114,332)	-	-
NET INCOME (LOSS) BEFORE CAPITAL GRANTS	252,043	533,350	-	785,393
CAPITAL GRANTS	-	-	-	-
CHANGE IN NET POSITION	252,043	533,350	-	785,393
NET POSITION, JANUARY 1	-	5,054,023	-	5,054,023
Change in Accounting Principle	-	(297,918)	-	(297,918)
NET POSITION, JANUARY 1, RESTATED	-	4,756,105	-	4,756,105
NET POSITION, DECEMBER 31	\$ 252,043	\$ 5,289,455	\$ -	\$ 5,541,498

(See independent auditor's report.)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

**COMBINING SCHEDULE OF CASH FLOWS
WATERWORKS AND SEWERAGE DIVISION ACCOUNTS**

For the Year Ended December 31, 2018

	Capital Improvement	Operating and Maintenance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 137,711	\$ 3,961,674	\$ 4,099,385
Receipts from Miscellaneous Revenues	-	29,160	29,160
Payments to Suppliers	-	(1,409,883)	(1,409,883)
Payments to Employees	-	(1,191,333)	(1,191,333)
Net Cash from Operating Activities	137,711	1,389,618	1,527,329
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal Payments on IEPA Loans	-	(460,067)	(460,067)
Principal Payments on Bonds	-	(195,000)	(195,000)
Principal Payments on Promissory Notes	-	(50,000)	(50,000)
Proceeds from Issuance of Promissory Notes	-	500,000	500,000
Capital Assets Purchased	-	(900,915)	(900,915)
Interest Paid	-	(118,860)	(118,860)
Net Cash from Capital and Related Financing Activities	-	(1,224,842)	(1,224,842)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund Payment	-	(114,332)	(114,332)
Interfund Receipt	114,332	-	114,332
Property Taxes Received	-	112,281	112,281
Net Cash from Noncapital Financing Activities	114,332	(2,051)	112,281
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	-	33,121	33,121
Net Cash from Investing Activities	-	33,121	33,121
NET INCREASE IN CASH AND CASH EQUIVALENTS	252,043	195,846	447,889
CASH AND CASH EQUIVALENTS, JANUARY 1	-	511,951	511,951
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 252,043	\$ 707,797	\$ 959,840

This schedule is continued on the following page.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended December 31, 2018

	<u>Capital Improvement</u>	<u>Operating and Maintenance</u>	<u>Total</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Income	\$ 137,711	\$ 607,041	\$ 744,752
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities			
Depreciation	-	749,328	749,328
Miscellaneous Revenue	-	29,160	29,160
Changes in Assets and Liabilities			
Accounts Receivable	-	(13,293)	(13,293)
Accounts Payable	-	(2,079)	(2,079)
Deposits Payables	-	(324)	(324)
Deferred Outflows of Resources - IMRF	-	352,280	352,280
Deferred Inflows of Resources - IMRF	-	353,161	353,161
OPEB Items	-	601	601
Net Pension Liability - IMRF	-	(653,617)	(653,617)
Accrued Payroll	-	(4,963)	(4,963)
Compensated Absences	-	(27,677)	(27,677)
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 137,711</u>	<u>\$ 1,389,618</u>	<u>\$ 1,527,329</u>
NONCASH TRANSACTION			
Capital assets purchased through accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(See independent auditor's report.)

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, 2018

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ASSETS			
Cash and Cash Equivalents	\$ 253,324	\$ -	\$ 253,324
Investments, at Fair Value			
Certificates of Deposit	-	270,701	270,701
U.S. Treasury Obligations	1,259,913	-	1,259,913
U.S. Agency Obligations	1,231,741	-	1,231,741
Municipal Bonds	290,182	-	290,182
Corporate Bonds	2,673,000	-	2,673,000
Equities	9,064,669	-	9,064,669
Accrued Interest Receivable	37,358	95	37,453
Total Assets	14,810,187	270,796	15,080,983
LIABILITIES			
Accounts Payable	6,279	-	6,279
Due to Other Funds	-	9,168	9,168
Total Liabilities	6,279	9,168	15,447
NET POSITION RESTRICTED FOR PENSIONS			
	\$ 14,803,908	\$ 261,628	\$ 15,065,536

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, 2018

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ADDITIONS			
Contributions			
Employer Contributions	\$ 1,211,088	\$ 7,574	\$ 1,218,662
Employee Contributions	188,992	-	188,992
Total Contributions	1,400,080	7,574	1,407,654
Investment Income			
Net Appreciation (Depreciation) in Fair Value of Investments	(910,135)	-	(910,135)
Interest	276,081	2,619	278,700
Total Investment Income	(634,054)	2,619	(631,435)
Less Investment Expense	(50,353)	-	(50,353)
Net Investment Income	(684,407)	2,619	(681,788)
Total Additions	715,673	10,193	725,866
DEDUCTIONS			
Benefits and Refunds	1,513,287	21,148	1,534,435
Administrative Expenses	8,733	236	8,969
Total Deductions	1,522,020	21,384	1,543,404
NET DECREASE	(806,347)	(11,191)	(817,538)
NET POSITION RESTRICTED FOR PENSIONS			
January 1	15,610,255	272,819	15,883,074
December 31	\$ 14,803,908	\$ 261,628	\$ 15,065,536

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, 2018

	Balances, January 1	Additions	Deductions	Balances, December 31
SEIZURE FUND				
ASSETS				
Cash and Cash Equivalents	\$ 3,858	\$ 64,155	\$ -	\$ 68,013
TOTAL ASSETS	\$ 3,858	\$ 64,155	\$ -	\$ 68,013
LIABILITIES				
Other Liabilities	\$ 3,858	\$ 64,155	\$ -	\$ 68,013
TOTAL LIABILITIES	\$ 3,858	\$ 64,155	\$ -	\$ 68,013

See accompanying notes to financial statements.

SUPPLEMENTARY INFORMATION

VILLAGE OF WESTERN SPRINGS, ILLINOIS

**ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR END FINANCIAL REPORT**

For the Year Ended December 31, 2018

CSFA Number	Program Name	State	Federal	Other	Total
494-00-1488	Motor Fuel Tax Program	\$ 130,645	\$ -	\$ -	\$ 130,645
	Other Grant Programs and Activities	-	19,215	-	19,215
	All other costs not allocated	-	-	22,052,028	22,052,028
	TOTALS	<u>\$ 130,645</u>	<u>\$ 19,215</u>	<u>\$ 22,052,028</u>	<u>\$ 22,201,888</u>

(See independent auditor's report.)

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>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have been changed over time.	113-122
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	123-126
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	127-132
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	133-134
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	135-137

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

	2018	2017	2016	2015
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$ 70,924,158	\$ 69,189,177	\$ 70,654,082	\$ 72,419,795
Restricted	3,368,228	4,761,522	2,664,124	2,230,311
Unrestricted	(8,164,899)	(6,669,816)	(4,070,111)	(3,773,976)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 66,127,487	\$ 67,280,883	\$ 69,248,095	\$ 70,876,130
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 8,085,899	\$ 7,481,302	\$ 7,058,911	\$ 7,133,427
Restricted	-	-	-	-
Unrestricted	632,575	956,753	(558,727)	(508,970)
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 8,718,474	\$ 8,438,055	\$ 6,500,184	\$ 6,624,457
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	\$ 79,010,057	\$ 76,670,479	\$ 77,712,993	\$ 79,553,222
Restricted	3,368,228	4,761,522	2,664,124	2,230,311
Unrestricted	(7,532,324)	(5,713,063)	(4,628,838)	(4,282,946)
TOTAL PRIMARY GOVERNMENT	\$ 74,845,961	\$ 75,718,938	\$ 75,748,279	\$ 77,500,587

GASB Statement No. 68 was implemented in 2015.

GASB Statement No. 75 was implemented in 2018.

Data Source

Audited Financial Statements

2014	2013	2012	2011	2010	2009
\$ 73,278,306	\$ 73,180,184	\$ 74,000,486	\$ 74,821,522	\$ 74,081,068	\$ 74,156,250
2,551,951	6,855,202	9,154,745	7,654,038	6,980,476	9,058,694
6,921,261	5,349,036	2,484,389	3,240,277	4,366,111	2,209,871
\$ 82,751,518	\$ 85,384,422	\$ 85,639,620	\$ 85,715,837	\$ 85,427,655	\$ 85,424,815
\$ 6,849,787	\$ 6,598,723	\$ 6,416,805	\$ 6,214,689	\$ 6,878,879	\$ 6,331,203
-	-	-	-	-	-
493,261	555,036	672,715	170,247	(626,405)	(7,679)
\$ 7,343,048	\$ 7,153,759	\$ 7,089,520	\$ 6,384,936	\$ 6,252,474	\$ 6,323,524
\$ 80,128,093	\$ 79,778,907	\$ 80,417,291	\$ 81,036,211	\$ 80,959,947	\$ 80,487,453
2,551,951	6,855,202	9,154,745	7,654,038	6,980,476	9,058,694
7,414,522	5,904,072	3,157,104	3,410,524	3,739,706	2,202,192
\$ 90,094,566	\$ 92,538,181	\$ 92,729,140	\$ 92,100,773	\$ 91,680,129	\$ 91,748,339

VILLAGE OF WESTERN SPRINGS, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2018	2017	2016	2015
EXPENSES				
Governmental Activities				
General Government	\$ 2,149,637	\$ 2,634,147	\$ 2,639,175	\$ 2,203,477
Public Safety	8,097,599	7,596,882	7,920,924	7,140,846
Municipal Services	3,040,344	2,794,550	3,411,564	3,747,309
Economic Development	2,445	4,648	4,255	3,334
Culture and Recreation	1,593,323	1,605,453	1,695,442	1,761,165
Interest	392,016	415,792	291,867	355,249
Total Governmental Activities Expenses	<u>15,275,364</u>	<u>15,051,472</u>	<u>15,963,227</u>	<u>15,211,380</u>
Business-Type Activities				
Water and Sewer	3,492,842	3,668,216	3,700,587	3,543,606
Parking	469,770	652,391	482,444	316,323
Emergency 911	-	150,331	387,121	190,117
Total Business-Type Activities Expenses	<u>3,962,612</u>	<u>4,470,938</u>	<u>4,570,152</u>	<u>4,050,046</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 19,237,976</u>	<u>\$ 19,522,410</u>	<u>\$ 20,533,379</u>	<u>\$ 19,261,426</u>
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
General Government	\$ 431,400	\$ 431,030	\$ 383,625	\$ 367,984
Public Safety	414,094	339,229	309,139	345,200
Municipal Services	1,516,230	1,468,182	1,300,225	1,329,431
Culture and Recreation	1,104,937	1,145,838	1,191,119	998,957
Operating Grants and Contributions	401,194	407,121	391,630	353,239
Capital Grants and Contributions	3,374	34,862	13,426	-
Total Governmental Activities Program Revenues	<u>3,871,229</u>	<u>3,826,262</u>	<u>3,589,164</u>	<u>3,394,811</u>
Business-Type Activities				
Charges for Services				
Water and Sewer	4,112,678	4,140,796	3,358,961	3,043,822
Parking	182,497	183,784	183,175	185,102
Emergency 911	-	(11,071)	165,263	146,524
Capital Grants and Contributions	-	492,326	-	-
Total Business-Type Activities Program Revenues	<u>4,295,175</u>	<u>4,805,835</u>	<u>3,707,399</u>	<u>3,375,448</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 8,166,404</u>	<u>\$ 8,632,097</u>	<u>\$ 7,296,563</u>	<u>\$ 6,770,259</u>
NET (EXPENSE) REVENUE				
Governmental Activities	\$ (11,404,135)	\$ (11,225,210)	\$ (12,374,063)	\$ (11,816,569)
Business-Type Activities	332,563	334,897	(862,753)	(674,598)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	<u>\$ (11,071,572)</u>	<u>\$ (10,890,313)</u>	<u>\$ (13,236,816)</u>	<u>\$ (12,491,167)</u>

	2014	2013	2012	2011	2010	2009
\$	2,170,652	\$ 2,267,323	\$ 1,931,767	\$ 1,867,995	\$ 1,976,030	\$ 1,759,779
	6,077,036	5,960,533	5,602,097	4,089,737	4,343,634	4,963,728
	6,827,362	3,482,461	3,253,780	5,271,486	4,855,445	4,816,551
	30,097	-	-	-	-	-
	1,740,288	1,586,455	1,576,886	1,573,869	1,329,864	1,323,071
	252,949	272,582	383,341	292,998	322,113	310,099
	17,098,384	13,569,354	12,747,871	13,096,085	12,827,086	13,173,228
	2,831,457	2,805,242	2,693,996	2,721,204	2,817,730	2,926,064
	338,209	326,860	291,786	316,450	383,894	290,667
	119,282	136,202	172,598	130,903	119,516	126,935
	3,288,948	3,268,304	3,158,380	3,168,557	3,321,140	3,343,666
\$	20,387,332	\$ 16,837,658	\$ 15,906,251	\$ 16,264,642	\$ 16,148,226	\$ 16,516,894
\$	361,213	\$ 344,613	\$ 336,756	\$ 318,779	\$ 306,645	\$ 286,569
	344,347	338,221	327,931	305,948	279,471	166,311
	1,658,648	1,272,607	948,390	834,154	894,814	779,939
	1,050,257	1,129,611	1,011,154	933,824	871,955	843,909
	508,001	523,270	483,211	499,431	537,493	396,910
	670,995	19,024	110,972	1,090,715	1,154,501	163,457
	4,593,461	3,627,346	3,218,414	3,982,851	4,044,879	2,637,095
	2,815,019	2,965,535	3,102,446	2,883,499	2,721,772	2,564,887
	174,847	150,837	145,806	156,441	158,026	146,978
	140,697	142,843	148,496	135,197	138,240	139,796
	106,264	-	-	-	-	-
	3,236,827	3,259,215	3,396,748	3,175,137	3,018,038	2,851,661
\$	7,830,288	\$ 6,886,561	\$ 6,615,162	\$ 7,157,988	\$ 7,062,917	\$ 5,488,756
\$	(12,504,923)	\$ (9,942,008)	\$ (9,529,457)	\$ (9,113,234)	\$ (8,782,207)	\$ (10,536,133)
	(52,121)	(9,089)	238,368	6,580	(303,102)	(492,005)
\$	(12,557,044)	\$ (9,951,097)	\$ (9,291,089)	\$ (9,106,654)	\$ (9,085,309)	\$ (11,028,138)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2018	2017	2016	2015
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 6,655,617	\$ 6,064,042	\$ 5,898,916	\$ 5,672,832
Sales, Local Use	1,411,298	1,337,154	1,289,721	1,225,827
Utility	606,366	570,747	558,801	573,866
Telecommunications	299,546	308,103	347,917	375,411
Intergovernmental - Unrestricted				
Income	1,242,565	1,191,568	1,263,039	1,380,581
Replacement	28,008	30,808	29,174	32,924
Donations	-	-	-	-
Investment Income	251,797	94,168	60,207	38,910
Miscellaneous	899,952	989,471	964,939	974,834
Gain on Sale of Capital Assets	-	118,328	64,241	-
Transfers In (Out)	(100,000)	(1,446,391)	(356,887)	(100,000)
	11,295,149	9,257,998	10,120,068	10,175,185
Total Governmental Activities				
Business-Type Activities				
Property Tax	118,371	107,761	115,547	106,786
Investment Income	35,877	8,961	3,660	174
Miscellaneous	21,424	35,753	7,967	36,330
Gain on Sale of Capital Assets	(9,005)	4,108	3,933	998
Transfers In (Out)	100,000	1,446,391	356,887	100,000
	266,667	1,602,974	487,994	244,288
Total Business-Type Activities				
TOTAL PRIMARY GOVERNMENT	\$ 11,561,816	\$ 10,860,972	\$ 10,608,062	\$ 10,419,473
CHANGE IN NET POSITION				
Governmental Activities	\$ (108,986)	\$ (1,967,212)	\$ (2,253,995)	\$ (1,641,384)
Business-Type Activities	599,230	1,937,871	(374,759)	(430,310)
TOTAL PRIMARY GOVERNMENT	\$ 490,244	\$ (29,341)	\$ (2,628,754)	\$ (2,071,694)
CHANGE IN NET POSITION				

Data Source

Audited Financial Statements

2014	2013	2012	2011	2010	2009
\$ 5,615,269	\$ 5,424,526	\$ 5,355,865	\$ 5,074,327	\$ 4,844,945	\$ 4,508,516
1,173,657	1,013,131	969,706	949,174	909,078	907,199
681,343	602,322	565,353	630,775	642,838	619,878
371,844	437,713	478,732	479,435	487,604	515,894
1,242,276	1,236,263	1,140,080	1,001,152	983,226	1,015,418
30,886	30,005	27,066	27,016	30,658	37,911
-	-	-	-	-	1,000,000
(37,520)	28,752	32,010	62,877	142,928	85,442
906,819	946,318	840,848	1,027,072	752,186	820,416
-	-	-	116,985	6,852	2,983
50,000	(250,000)	-	50,000	-	(103,000)
10,034,574	9,469,030	9,409,660	9,418,813	8,800,315	9,410,657
110,328	126,746	104,296	163,085	136,791	144,098
227	507	1,694	696	6,206	6,934
175,084	30,142	13,144	12,101	89,053	53
5,771	18,225	2,750	-	-	2,786
(50,000)	250,000	-	(50,000)	-	103,000
241,410	425,620	121,884	125,882	232,050	256,871
\$ 10,275,984	\$ 9,894,650	\$ 9,531,544	\$ 9,544,695	\$ 9,032,365	\$ 9,667,528
\$ (2,470,349)	\$ (472,978)	\$ (119,797)	\$ 305,579	\$ 18,108	\$ (1,125,476)
189,289	416,531	360,252	132,462	(71,052)	(235,134)
\$ (2,281,060)	\$ (56,447)	\$ 240,455	\$ 438,041	\$ (52,944)	\$ (1,360,610)

VILLAGE OF WESTERN SPRINGS, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2018	2017	2016	2015
GENERAL FUND				
Nonspendable				
Advances to Other Funds	\$ -	\$ -	\$ -	\$ -
Prepaid Items	-	33,762	14,086	150,866
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	4,174,899	3,843,051	3,617,782	4,024,147
TOTAL GENERAL FUND	\$ 4,223,175	\$ 3,925,089	\$ 3,680,144	\$ 4,235,567
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable				
Advances to Other Funds	\$ -	\$ -	\$ -	\$ -
Prepaid Items	-	-	452,545	9,509
Restricted				
Maintenance of Roadways	5,608,645	6,584,387	2,995,374	3,518,435
Subdivision Improvements	21,493	21,219	51,760	51,757
Capital Improvement	829,788	1,032,608	1,195,346	1,361,158
Debt Service	264,234	211,377	176,064	250,955
Unrestricted				
Committed	-	-	-	-
Assigned for Recreation	361,167	503,058	538,105	335,579
Assigned for Capital Projects	2,369,306	2,088,619	3,550,995	3,316,093
Assigned for Commuter Improvements	88,016	75,327	58,367	46,803
Unassigned	-	(40,205)	(37,433)	(33,431)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 9,542,649	\$ 10,476,390	\$ 8,981,123	\$ 8,856,858

Data Source

Audited Financial Statements

	2014	2013	2012	2011	2010	2009
\$	-	\$ -	\$ -	\$ -	\$ -	\$ 74,822
	15,510	23,143	24,385	28,797	34,255	44,905
	-	-	-	-	-	-
	-	-	-	-	2,183	4,363
	-	-	-	-	-	-
	-	-	-	-	79,118	76,696
	-	-	-	-	-	-
	48,276	48,276	47,176	43,826	-	-
	-	-	-	-	-	-
	4,414,607	3,715,051	3,924,390	2,654,292	2,282,649	2,071,908
\$	4,478,393	\$ 3,786,470	\$ 3,995,951	\$ 2,726,915	\$ 2,398,205	\$ 2,272,694
\$	100,000	\$ 44,184	\$ 86,264	\$ 126,340	\$ 164,508	\$ 200,858
	-	-	-	-	-	-
	1,348,778	2,230,541	4,625,166	1,091,848	868,150	2,750,673
	300,394	4,084,692	4,797,489	4,976,841	5,663,069	5,975,785
	672,168	1,307,519	1,113,388	1,687,924	-	-
	255,406	220,314	232,945	153,633	130,429	65,778
	-	-	-	-	-	-
	770,073	838,929	630,617	305,811	237,527	185,399
	2,309,016	1,437,531	777,444	820,881	3,632,449	3,478,724
	29,233	-	-	-	-	-
	(65,656)	11,473	(8,512)	(50,249)	-	-
\$	5,719,412	\$ 10,175,183	\$ 12,254,801	\$ 9,113,029	\$ 10,696,132	\$ 12,657,217

VILLAGE OF WESTERN SPRINGS, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2018	2017	2016	2015
REVENUES				
Taxes	\$ 8,972,831	\$ 8,280,045	\$ 8,095,354	\$ 7,847,937
Licenses and Permits	1,612,231	1,567,589	1,385,544	1,380,762
Intergovernmental	1,724,419	1,714,271	1,745,159	1,809,187
Charges for Services	1,958,422	2,061,955	2,056,663	1,914,268
Fines and Forfeits	394,069	318,653	288,598	323,642
Investment Income	251,797	94,168	60,207	38,910
Miscellaneous	352,609	375,642	370,353	355,290
Total Revenues	15,266,378	14,412,323	14,001,878	13,669,996
EXPENDITURES				
General Government	1,937,381	2,380,810	2,363,807	2,145,614
Public Safety	6,799,863	6,544,495	6,531,451	6,076,345
Municipal Services	2,014,352	1,813,103	1,720,087	1,697,188
Economic Development	2,445	4,648	4,255	3,334
Culture and Recreation	1,345,752	1,380,047	1,429,072	1,397,029
Intergovernmental	1,925,000	-	-	-
Capital Outlay	2,512,187	2,388,680	1,274,360	2,218,340
Debt Service				
Principal	1,206,000	1,056,000	1,036,000	1,003,300
Interest	487,291	383,854	315,595	372,256
Other Charges	-	-	-	-
Total Expenditures	18,230,271	15,951,637	14,674,627	14,913,406
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,963,893)	(1,539,314)	(672,749)	(1,243,410)
OTHER FINANCING SOURCES (USES)				
Bonds Issued, at Par	1,925,000	4,500,000	350,000	5,480,000
Notes Issued, at Par	500,000	-	-	-
Premium on Bonds	-	88,864	-	309,114
Payment to Escrow Agent	-	-	-	(1,560,434)
Transfers In	969,212	531,890	1,437,449	1,482,310
Transfers (Out)	(1,069,212)	(1,997,897)	(1,794,336)	(1,582,310)
Sale of Capital Assets	19,774	156,669	248,478	9,350
Sale of Real Property	-	-	-	-
Total Other Financing Sources (Uses)	2,344,774	3,279,526	241,591	4,138,030
NET CHANGE IN FUND BALANCES	\$ (619,119)	\$ 1,740,212	\$ (431,158)	\$ 2,894,620
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	10.42%	9.25%	9.25%	9.61%

Data Source

Audited Financial Statements

	2014	2013	2012	2011	2010	2009
\$	9,115,275	\$ 8,743,960	\$ 8,536,802	\$ 8,161,880	\$ 7,898,349	\$ 7,604,816
	1,655,714	1,276,581	990,270	894,960	974,644	929,809
	601,978	585,876	634,404	1,628,653	1,730,038	583,392
	1,204,835	1,282,541	1,165,743	1,085,563	980,390	866,044
	324,484	320,796	307,601	287,522	268,495	261,022
	(37,520)	28,752	32,010	62,877	142,929	85,442
	1,091,269	1,091,706	944,509	1,096,869	828,229	1,792,941
	13,956,035	13,330,212	12,611,339	13,218,324	12,823,074	12,123,466
	2,124,298	1,989,691	1,872,669	1,858,203	1,912,431	1,824,329
	5,773,571	5,674,604	5,335,071	5,186,189	5,054,189	5,101,044
	1,702,778	1,638,736	1,696,354	1,664,139	2,024,257	1,914,934
	30,097	-	-	-	-	-
	1,369,388	1,338,010	1,284,634	1,266,437	1,132,696	1,088,387
	-	-	-	-	-	-
	6,051,756	2,257,063	2,901,438	3,527,476	3,342,866	3,461,110
	1,051,400	1,039,500	996,800	850,300	884,000	632,700
	245,093	259,893	360,915	286,958	315,061	323,852
	-	-	-	-	-	5,663
	18,348,381	14,197,497	14,447,881	14,639,702	14,665,500	14,352,019
	(4,392,346)	(867,285)	(1,836,542)	(1,421,378)	(1,842,426)	(2,228,553)
	-	-	5,670,000	-	-	3,250,000
	-	-	560,000	-	-	-
	-	-	57,170	-	-	-
	-	-	(2,359,024)	-	-	-
	1,036,426	1,154,516	496,603	483,004	608,010	766,927
	(986,426)	(1,404,516)	(496,603)	(433,004)	(608,010)	(869,927)
	119,053	799,646	4,950	116,985	6,852	7,283
	-	-	-	-	-	-
	169,053	549,646	3,933,096	166,985	6,852	3,154,283
\$	(4,223,293)	\$ (317,639)	\$ 2,096,554	\$ (1,254,393)	\$ (1,835,574)	\$ 925,730
	10.32%	10.70%	9.12%	9.35%	8.20%	6.61%

VILLAGE OF WESTERN SPRINGS, ILLINOIS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Railroad	Commercial Property	Industrial Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2009	\$ 776,311,613	242,618	*	*	\$ 776,554,231	\$ 0.634	\$ 2,329,662,693	33.333%
2010	781,038,337	265,939	*	*	781,304,276	0.659	2,601,743,239	33.333%
2011	636,052,565	317,506	*	*	636,370,071	0.843	2,119,112,336	33.333%
2012	594,119,489	339,546	*	*	594,459,035	0.924	1,979,548,587	33.333%
2013	562,987,274	369,272	*	*	563,356,546	0.996	1,875,977,298	33.333%
2014	594,769,716	374,163	*	*	595,143,879	0.955	1,981,829,117	33.333%
2015	584,914,255	390,591	*	*	585,304,846	1.008	1,949,065,137	33.333%
2016	619,314,037	443,676	*	*	619,757,713	0.979	2,063,793,184	33.333%
2017	769,469,997	494,497	*	*	769,964,494	0.863	2,563,981,765	33.333%
2018	*	*	*	*	*	*	*	*

*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	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
TAX RATES*										
Village of Western Springs (a)	**	0.863	0.979	1.008	0.955	0.996	0.925	0.843	0.659	0.634
Thomas Ford Memorial Library	**	0.179	0.214	0.219	0.209	0.214	0.197	0.177	0.141	0.136
Western Spring Park District	**	0.116	0.139	0.141	0.135	0.138	0.128	0.116	0.092	0.089
Cook County	**	0.527	0.533	0.586	0.568	0.591	0.531	0.462	0.423	0.415
Forest Preserve District of Cook County	**	0.062	0.063	0.069	0.069	0.069	0.063	0.058	0.051	0.049
Metropolitan Water Reclamation District	**	0.402	0.406	0.426	0.430	0.417	0.370	0.025	0.274	0.261
Suburban T. B. Sanitarium	**	-	0.227	-	-	-	-	-	-	-
Lyons Township	**	0.193	3.293	0.237	0.231	0.231	0.213	0.198	0.161	0.158
School District #101	**	2.742	-	3.374	3.248	3.306	3.056	2.765	2.229	2.166
DuPage Community College District #502	**	0.258	0.313	0.311	0.320	0.323	0.276	0.248	0.211	0.204
Lyons Township High School #204	**	2.001	2.359	2.432	2.324	2.312	2.129	1.922	1.545	1.491
Des Plaines Valley Mosquito Abatement	**	0.015	0.017	0.017	0.016	0.016	0.015	0.014	0.011	0.011
TOTAL TAX RATES	**	7.358	8.543	8.820	8.505	8.613	7.903	6.828	5.797	5.614
(a) Village Property Tax Breakdown: Corporate Levy										
Garbage	**	0.164	0.187	0.186	0.173	0.166	0.153	0.140	0.121	0.102
IMRF	**	0.019	0.023	0.024	0.023	0.025	0.023	0.021	0.016	0.015
Street and Bridges	**	0.051	0.057	0.071	0.065	0.072	0.075	0.063	0.045	0.078
Fire Protection	**	0.041	0.049	0.052	0.051	0.054	0.050	0.045	0.036	0.035
Police Protection	**	0.045	0.054	0.057	0.056	0.059	0.054	0.049	0.039	0.038
Civil Defense	**	0.045	0.054	0.050	0.049	0.052	0.047	0.043	0.034	0.033
Auditing	**	0.000	0.001	0.001	0.001	0.001	0.001	0.001	-	-
Liability Insurance	**	0.004	0.004	0.005	0.004	0.005	0.004	0.004	0.003	0.003
Street Lighting	**	0.002	0.035	0.037	0.038	0.042	0.038	0.039	0.029	0.018
Crossing Guards	**	0.018	0.021	0.022	0.022	0.023	0.021	0.019	0.015	0.015
Ambulance	**	0.004	0.005	0.005	0.005	0.005	0.005	0.005	0.004	0.004
Forestry	**	0.062	0.075	0.079	0.077	0.082	0.075	0.068	0.054	0.053
Debt Service	**	0.019	0.022	0.024	0.023	0.024	0.023	0.020	0.016	0.016
Police Pension	**	0.161	0.139	0.146	0.132	0.151	0.143	0.135	0.095	0.087
Firefighters' Pension	**	0.158	0.166	0.155	0.144	0.139	0.122	0.107	0.087	0.076
Recreation	**	0.001	0.002	0.002	0.002	0.001	0.001	0.001	-	-
Handicapped Fund	**	0.028	0.034	0.036	0.035	0.037	0.035	0.032	0.025	0.024
Capital Improvement	**	0.014	0.018	0.020	0.019	0.020	0.019	0.020	0.016	0.014
TOTAL VILLAGE TAXES	**	0.028	0.034	0.036	0.036	0.038	0.036	0.031	0.024	0.023

*2017 Property Tax Rate which includes School District 106 is 7.467

**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	2017* Assessed Valuation			Taxpayer	2008 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	\$11,424,210	1	1.48%	Western Springs LLC	\$13,979,163	1	1.91%
Timber Trails Development	5,269,802	2	0.68%	Federal Realty Investment Trust	\$11,020,808	2	1.51%
Hinsdale Bank and Trust	1,590,908	3	0.21%	Hinsdale Bank and Trust	\$2,549,896	3	0.35%
G. Grant Dixon & Sons	1,697,392	4	0.22%	Dixon Realty	\$2,627,721	4	0.36%
800 Hillgrove	1,603,756	5	0.21%	Harris Bank	\$2,094,239	5	0.29%
WSMC Partners LLC	1,513,575	6	0.20%	Western Springs National Bank	\$1,939,199	6	0.26%
BMO Harris Bank	1,327,508	7	0.17%	800 Hillgrove	\$1,927,136	7	0.26%
Heartland Bank	1,372,101	8	0.18%	Individual	\$1,736,800	8	0.24%
FNBC	1,196,526	9	0.16%	Franklin Hillgrove	\$1,723,954	9	0.24%
Franklin Hillgrove	1,016,011	10	0.13%	Individual	\$1,699,180	10	0.23%
TOTAL	<u>\$ 28,011,789</u>		<u>3.64%</u>		<u>\$ 41,298,096</u>		<u>5.65%</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
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%	29,226	6,004,920	98.97%
2017	6,640,891	6,526,941	98.28%	-	6,526,941	98.28%
2018	6,906,788	(a)	(a)	(a)	(a)	(a)

*The collections to date information is as of December 31, 2018.

(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			
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
2018	11,435,000	2,720,000	247,356	919,000	390,000	7,097,631	22,808,987	2.56%	1,701.66

*See the schedule of Demographic and Economic Information on page 132 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

Fiscal Year	General Obligation Bonds	Unamortized Premium	Less: Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
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
2018	11,435,000	247,356	264,234	11,418,122	1.48%	851.84

*See the schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 122 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, 2018

Governmental Unit	Outstanding Debt (2)	Percentage Debt Applicable to the Village (3)	The Village Share of Debt
Village	\$ 15,321,356	100.00%	\$ 15,321,356
Schools			
School District #101	\$19,890,000	99.90%	19,870,110
School District #102	28,440,048	0.03%	8,532
School District #106	1,230,000	36.59%	450,057
Lyons Township High School District #204	11,750,000	22.62%	2,657,850
DuPage County Community College District #502	210,280,000	1.78%	3,742,984
Total Schools	271,590,048		26,729,533
Other			
Cook County	2,950,121,750	0.51%	15,045,621
Cook County Forest Preserve District	142,360,000	0.51%	726,036
Metropolitan Water Reclamation District of Greater Chicago	2,348,253,000	0.52%	12,210,916
Western Springs Park District	1,730,000	100.00%	1,730,000
Total Other	5,442,464,750		29,712,573
Total Overlapping Debt	5,714,054,798		56,442,106
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 5,729,376,154		\$ 71,763,462

Notes:

- (1) Data Source: Cook County Clerk
- (2) As of December 20, 2018
- (3) Percentage based on 2017 EAV's, the last available

VILLAGE OF WESTERN SPRINGS, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Debt Limit	\$ 64,925,150	\$ 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
Total Net Debt Applicable to Limit	11,435,000	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
LEGAL DEBT MARGIN	\$ 53,490,150	\$ 43,159,103	\$ 44,077,543	\$ 44,301,160	\$ 42,074,502	\$ 44,162,092	\$ 47,191,919	\$ 62,149,494	\$ 60,610,894	\$ 57,254,695
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	17.61%	19.26%	12.69%	13.70%	13.41%	13.87%	14.02%	7.77%	8.33%	9.32%
Legal Debt Margin Calculation for Fiscal 2019										
Equalized Assessed Value (2018 Levy Year)	\$ 752,755,358									
Legal Debt Margin	8.625%									
Debt Limit	64,925,150									
Debt Applicable to Limit General Obligation Bonds	11,435,000									
LEGAL DEBT MARGIN	\$ 53,490,150									

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	
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
2015	573,866	573,866	340,000	13,790	1.62	2015	N/A	N/A	N/A	N/A	N/A
2012A						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	2018	N/A	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A	N/A						

(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 (2003C and 2003D) and in December 31, 2018 (2012A)

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

Fiscal Year	Business-Type Activity Bonds and IEPA Loan					
	Alternate Revenue Sources	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
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
2018	4,287,240	2,618,598	1,668,642	655,067	108,553	2.19

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

Fiscal Year	Population	Personal Income*	Per Capita Personal Income	Unemployment Rate**
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
2018	13,404	889,516,248	66,362	2.1%

N/A - Information not available

Data Source

Village Records

*City-Data.com

**Homefacts.com

VILLAGE OF WESTERN SPRINGS, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Ten Years Ago

2018 (a)			2008 (b)		
Employer	Number	Percentage of Total Village Employment	Employer	Number	Percentage of Total Village Employment
Lyons Township High School District 204	305	N/A	Lyons Township High School District 204	300	N/A
School District #101	178	N/A	Dominick's	130	N/A
Village of Western Springs	101	N/A	School District 101	106	N/A
St. John of the Cross School and Parish	60	N/A	St. John of the Cross and Parish	94	N/A
ReMax Properties, Inc.	37	N/A	Village of Western Springs	75	N/A
Walgreen's	37	N/A	Community Bank of Western Springs	32	N/A
Mariano's	36	N/A	Harris Bank	21	N/A
Planet Forward, LLC	25	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) 2018 Illinois Services Directory and a selective telephone survey.

(b) 2009 information was not available so 2008 is presented.

VILLAGE OF WESTERN SPRINGS, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
GENERAL GOVERNMENT										
Legislative	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400
Executive	4.250	5.100	5.100	5.100	5.100	4.800	4.180	4.180	4.180	3.850
Finance	4.800	4.800	4.800	4.800	4.800	4.800	4.720	4.720	4.720	4.720
Community Development	4.000	3.330	3.330	3.330	3.330	3.330	3.330	3.330	3.330	4.000
PUBLIC SAFETY										
Police										
Officers	21.00	21.00	21.00	20.00	20.00	20.00	20.00	21.00	21.00	21.00
Civilians	2.65	2.50	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
Parking Enforcement/Ordinance Control	1.00	1.00	5.00	5.00	5.00	5.50	5.50	6.00	7.00	7.00
Fire										
Firefighters and Officers	4.80	4.80	4.80	4.80	4.80	4.00	3.50	3.00	3.00	3.00
Paid on Call*	36.00	49.00	49.00	49.00	48.00	50.00	50.00	50.00	46.00	48.00
Emergency Services and Disaster Agency	-	-	-	-	-	-	-	-	-	0.50
MUNICIPAL SERVICES										
Administration	3.00	4.30	4.30	4.30	3.33	3.33	3.33	3.33	4.33	4.00
Public Right of Way Maintenance	10.00	10.00	9.00	9.00	10.00	10.00	10.00	14.00	14.00	14.00
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	4.00	-	-	-
Recreation	4.00	4.00	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
TOTAL	101.90	116.23	118.03	117.03	116.06	117.46	116.26	117.26	115.26	117.77

*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	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
PUBLIC SAFETY										
Police										
Physical Arrests	61	89	64	96	161	190	114	157	186	226
Parking Violations	2,673	2,742	2,102	1,337	1,627	1,609	1,638	1,811	1,725	1,907
Traffic Violations	3,744	3,557	2,215	3,301	4,111	4,794	4,383	4,113	3,915	4,575
Fire										
Fire Emergency Responses	530	443	435	471	534	628	581	786	855	701
Structural Fires Extinguished	3	26	9	8	4	14	23	29	43	42
Other Fires Extinguished	6	8	10	5	8	5	27	6	16	N/A
EMS Emergency Responses	645	696	637	663	643	1,061	948	910	941	1,069
E-911*										
Calls Answered	-	-	3,535	3,948	4,041	3,696	3,856	3,930	3,752	3,604
Inspectional Services										
Inspections	3,087	3,491	3,468	3,477	3,152	2,269	1,870	1,857	1,866	2,210
Permits Issued	68	62	75	96	79	108	46	29	34	25
Value of Construction Authorized	\$ 31,998,803	\$ 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
MUNICIPAL SERVICES										
Pothole Repairs (Tons)	84.00	151.26	114.90	103.58	144.52	99.20	103.00	103.00	58.00	98.00
Population Serviced (Estimated)	13,404	12,975	12,975	12,975	12,975	12,975	12,975	12,975	12,530	12,530
WATER (See SOA)										
Water Main Breaks	51	40	46	49	71	111	65	18	18	23
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)	312,369	326,070	303,534	310,062	310,541	340,173	360,780	339,861	347,585	354,049
Average Daily Consumption (Thousand/Gals)	1,752	1,729	1,753	1,797	1,567	1,810	1,355	1,355	1,366	1,475
Peak Daily Consumption (Thousand/Gals)	2,856	2,293	2,614	2,725	2,610	2,683	2,893	2,771	2,234	2,584
RECREATION FACILITIES										
Number of Participants Enrolled	33,445	36,991	35,407	33,025	33,005	32,505	32,308	32,698	31,225	32,488
LIBRARY SERVICES										
Number of Resident Borrowers	6,504	7,667	8,340	6,910	8,703	9,489	9,494	6,518	9,074	8,931
Number of Program Attendees	14,372	13,574	13,650	13,765	13,722	12,429	11,749	8,114	7,795	7,017
Number of Annual Visitors	127,959	129,734	126,539	127,660	128,891	132,650	134,775	126,338	127,135	123,562
Circulation	242,661	234,178	210,195	251,126	252,848	252,848	238,480	230,994	230,235	214,755
Number of Subscriptions	153	153	146	146	175	175	225	245	266	298
Number of Books Owned	65,343	71,864	70,622	75,421	77,135	75,139	75,615	75,090	76,607	75,996
E-Books	357,316	280,110	209,628	41,706	21,904	18,180	9,493	7,307	N/A	N/A

N/A - Information not available

Data Source

Various Village Departments

*E-911 services were moved to Lyons Township Area Communication Center in March 2017

VILLAGE OF WESTERN SPRINGS, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
PUBLIC SAFETY										
Police										
Patrol Units	12	12	13	13	13	13	13	13	13	13
Fire										
Fire Stations	2	2	2	2	2	2	2	2	1	1
Fire Engines	2	2	3	3	3	3	3	4	4	4
Ladder Truck	1	1	1	1	1	1	1	-	-	-
Ambulances	2	2	2	2	2	2	2	2	2	2
MUNICIPAL SERVICES										
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
WATER										
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	4,485	4,480	4,480	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	13	11
Park Area (Acres)	90	90	90	90	90	90	90	90	90	87
LIBRARY SERVICES										
Number of Books	65,343	71,864	70,622	75,421	77,135	75,139	75,615	75,090	76,607	75,996
Number of Audio Visual Items	9,493	8,842	9,786	9,759	14,141	14,141	10,759	9,935	7,473	7,095
Number of Periodicals	153	153	146	146	175	175	225	245	266	298
Number of E-Books	357,316	280,110	209,628	41,706	21,904	18,180	9,493	7,307	N/A	N/A

N/A - Information not available

Data Source

Various Village Departments