

VILLAGE OF STICKNEY, ILLINOIS

ANNUAL FINANCIAL REPORT

Year Ended April 30, 2016

VILLAGE OF STICKNEY, ILLINOIS

Year Ended April 30, 2016

CONTENTS

FINANCIAL SECTION:

Independent Auditor's Report 1

Required Supplementary Information

Management's Discussion and Analysis..... 3

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position STATEMENT 1 10

Statement of Activities STATEMENT 2 11

Fund Financial Statements

Balance Sheet – Governmental Funds STATEMENT 3 12

Reconciliation of Governmental Funds Balance Sheet to
Statement of Net Position STATEMENT 4 13

Statement of Revenues, Expenditures and Changes
in Fund Balances – Governmental Funds STATEMENT 5 14

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities STATEMENT 6 15

Statement of Net Position – Proprietary Fund STATEMENT 7 16

Statement of Revenues, Expenses and Changes in
Fund Net Position – Proprietary Fund STATEMENT 8 17

Statement of Cash Flows – Proprietary Fund..... STATEMENT 9 18

Statement of Fiduciary Net Position STATEMENT 10 19

Statement of Changes in Fiduciary Net Position STATEMENT 11 20

Notes to Financial Statements 21

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget
(GAAP Basis) and Actual – General Fund RSI 1 47

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget
(GAAP Basis) and Actual – Motor Fuel Tax Fund..... RSI 2 48

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget
(GAAP Basis) and Actual – Emergency Telephone System Fund..... RSI 3 49

Schedule of Changes in Illinois Municipal Retirement Fund RSI 4 50

Schedules of Illinois Municipal Retirement Fund Contributions RSI 5 51

VILLAGE OF STICKNEY, ILLINOIS

Year Ended April 30, 2016

CONTENTS

Required Supplementary Information (Continued)

Schedule of Funding Progress	RSI 6	52
Schedules of Changes in Police Pension Fund Net Pension Liability.....	RSI 7	53
Schedules of Police Pension Fund Net Pension Liability	RSI 8	54
Schedules of Police Pension Fund Contributions.....	RSI 9	55
Schedules of Police Pension Fund Investment Rate of Return	RSI 10	56
Notes to Required Supplementary Information		57

Supplementary Information - Combining and Individual Fund Financial Statements and Schedules

Nonmajor Funds

Combining Nonmajor Funds Balance Sheet	EXHIBIT 1	58
Combining Nonmajor Funds Statement of Revenues, Expenditures and Changes in Fund Balance.....	EXHIBIT 2	59

General Fund

Balance Sheet	EXHIBIT 3	60
Schedule of Revenues, Expenditures and Changes in Fund Balance.....	EXHIBIT 4	61
Schedule of Revenues – Budget and Actual.....	EXHIBIT 5	62
Schedule of Expenditures – Budget and Actual.....	EXHIBIT 6	64

Special Revenue Funds

Combining Balance Sheet	EXHIBIT 7	68
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	EXHIBIT 8	69

Motor Fuel Tax Fund

Balance Sheet	EXHIBIT 9	70
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	EXHIBIT 10	71

Emergency Telephone System Fund

Balance Sheet	EXHIBIT 11	72
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	EXHIBIT 12	73

VILLAGE OF STICKNEY, ILLINOIS
Year Ended April 30, 2016

CONTENTS

Supplementary Information - Combining and Individual Fund Financial Statements and Schedules
(Continued)

Police Seizure and Forfeiture Fund		
Balance Sheet	EXHIBIT 13	74
Schedule of Revenues, Expenditures and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual	EXHIBIT 14	75
Family Day Fund		
Balance Sheet	EXHIBIT 15	76
Schedule of Revenues, Expenditures and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual	EXHIBIT 16	77
Police Revenue Sharing Fund		
Balance Sheet	EXHIBIT 17	78
Schedule of Revenues, Expenditures and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual	EXHIBIT 18	79
Debt Service Fund		
Balance Sheet	EXHIBIT 19	80
Schedule of Revenues, Expenditures and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual.....	EXHIBIT 20	81
Capital Projects Fund		
Balance Sheet	EXHIBIT 21	82
Schedule of Revenues, Expenditures and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual.....	EXHIBIT 22	83
Proprietary Fund Types – Enterprise Fund		
Water Fund		
Schedule of Net Position	EXHIBIT 23	84
Schedule of Revenues, Expenses and Changes in Net		
Position – Budget (Budget Basis) and Actual	EXHIBIT 24	85
Schedule of Cash Flows.....	EXHIBIT 25	87

INDEPENDENT AUDITOR'S REPORT

To the Honorable President and Board of Trustees
Village of Stickney, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Stickney (the "Village"), as of and for the year ended April 30, 2016, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Village's Police Pension Fund, which represents 99 percent of the assets of the aggregate remaining fund information. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Police Pension Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, 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, as of April 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

In June 2012, the GASB issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Also, in November 2013, the GASB issued GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. As disclosed in Note 11, Statements 68 and 71 are effective for the Village's fiscal year ending April 30, 2016. These Statements replace the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* and Statement No. 50, *Pension Disclosure*. Statements 68 and 71 establish standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses as well as identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. Note disclosures and required supplementary information requirements about pensions are also addressed. As a result, net position was restated as of May 1, 2015, for the cumulative effect of the applications of these pronouncements. 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 required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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



Crowe Horwath LLP

Oak Brook, Illinois
December 26, 2016

VILLAGE OF STICKNEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended April 30, 2016

As management of the Village of Stickney ("Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2016. Since the Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the Village's financial statements. An overview and analysis of the financial activities of the Village's component unit, the Police Pension Fund, can be found in the Police Pension Fund's separately issued financial statements.

Financial Highlights

The assets of the Village of Stickney exceeded its liabilities at the close of the fiscal year by \$113,178 (net position). The unrestricted net position is a negative \$9,300,869 mainly due to the addition of the Police Pension Liability (GASB 68).

The government's total net position increased by \$31,553 during the fiscal year ended April 30, 2016 (FY16). The governmental net position decreased by \$329,686 and the business-type activities net position increased by \$361,239.

As of the close of the current fiscal year, the Village of Stickney's governmental funds reported combined ending fund balances of \$3,897,833, an increase of \$709,355 in comparison with the prior year. Approximately \$2,300,722 is available for spending at the government's discretion (unassigned fund balance).

At the end of the current fiscal year, the Village's Capital Projects Fund had a positive fund balance of \$564,554.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other required supplementary information and other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The statement of net position presents information on all of the Village's assets, liabilities, and deferred inflows with the difference reported as net position. Over time increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

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

The Governmental Activities reflect the Village's basic services, including administration, public safety, highways and streets, and culture and recreation. Property taxes, shared state taxes, and local utility taxes finance the majority of these services. The Business-Type Activities reflect private sector-type operations where the fee for service typically covers all or most of the cost of operations, including depreciation.

VILLAGE OF STICKNEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended April 30, 2016

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains four individual major governmental funds:

- General Fund
- Debt Service Fund
- Capital Projects Fund
- Motor Fuel Tax Fund
- Emergency Telephone System Fund

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the funds listed above, all of which are considered to be major funds. Information from the Village's other governmental funds are combined into a single column presentation. Individual fund information for these nonmajor governmental funds is provided elsewhere in the report.

The Village maintains one type of proprietary fund (enterprise). Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sewer operations. Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide information for the water fund.

Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is similar to that used by proprietary funds.

VILLAGE OF STICKNEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended April 30, 2016

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements this report also includes certain required supplementary information related to budgetary information and the Village's progress in funding its obligation to provide pension and other benefits to its employees. Nonmajor fund information can be found following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The following chart reflects the condensed Statement of Net Position (in millions):

	Total Governmental Activities		Business-Type Activities		Primary Government	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Assets						
Current and other assets	\$ 5.9	\$ 5.5	\$ 2.0	\$ 1.4	\$ 7.9	\$ 6.9
Capital assets	<u>15.4</u>	<u>16.1</u>	<u>1.6</u>	<u>1.8</u>	<u>17.0</u>	<u>17.9</u>
Total assets	21.1	21.6	3.6	3.2	24.7	24.8
Deferred Outflows						
Deferred pension outflows	2.6	0.0	0.1	0.0	2.7	0.0
Liabilities						
Other liabilities	0.9	1.0	0.2	0.2	1.1	1.2
Long-term liabilities	<u>24.1</u>	<u>9.3</u>	<u>0.1</u>	<u>0.0</u>	<u>24.2</u>	<u>9.3</u>
Total liabilities	25.0	10.3	0.3	0.2	25.4	10.5
Deferred Inflows						
Deferred pension inflows	0.4	0.0	0.1	0.0	0.5	0.0
Property taxes	<u>1.5</u>	<u>1.6</u>	<u>0.0</u>	<u>0.0</u>	<u>1.5</u>	<u>1.6</u>
Total Inflows	1.9	1.6	0.1	0.0	2.0	1.6
Net Position						
Net Investment in capital assets	6.9	7.4	1.7	1.8	8.6	8.9
Restricted	0.9	0.7	0.0	0.0	0.9	0.6
Unrestricted	<u>(11.0)</u>	<u>1.6</u>	<u>1.6</u>	<u>1.2</u>	<u>(9.4)</u>	<u>3.2</u>
Total net position	\$ (3.2)	\$ 9.7	\$ 3.3	\$ 3.0	\$ 0.1	\$ 12.7

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended April 30, 2016

The largest portion of the Village's net position reflects the investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The Village of Stickney uses the capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A much smaller portion of net position reflects the Village's resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted net position for the current year is a negative \$9.4 million mainly due to the addition of the Police Pension Liability (GASB 68).

At the end of the current and prior fiscal year, the Village is able to report a positive balance in total net position.

The following chart reflects the condensed Statement of Activities (in millions):

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Government</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
REVENUES						
Program revenues:						
Charges for services	\$ 1.4	\$ 1.3	\$ 3.6	\$ 3.2	\$ 5.0	4.5
Oper. grants/contrib.	0.2	0.2	0.0	0.0	0.2	0.2
Cap. grants/contrib.	0.1	0.1	0.0	0.0	0.1	0.1
General revenues						
Property taxes	3.3	3.0	0.0	0.0	3.3	3.0
Other taxes	2.8	3.0	0.0	0.0	2.8	3.0
Other	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total revenues	7.8	7.6	3.6	3.2	11.4	10.8
EXPENSES						
General government	1.2	1.1	0.0	0.0	1.2	1.2
Public safety	5.2	4.6	0.0	0.0	5.2	4.5
Public works	1.3	1.4	0.0	0.0	1.3	1.4
Culture and recreation	0.1	0.1	0.0	0.0	0.1	0.1
Interest long-term debt	0.3	0.3	0.0	0.0	0.3	0.3
Water	<u>0.0</u>	<u>0.0</u>	<u>3.2</u>	<u>3.2</u>	<u>3.2</u>	<u>3.2</u>
Total expenses	8.1	7.5	3.2	3.2	11.3	10.7
Change in net position	<u>(0.3)</u>	<u>0.1</u>	<u>0.4</u>	<u>0.0</u>	<u>0.1</u>	<u>0.1</u>
Ending net position	<u>\$ (3.2)</u>	<u>\$ 9.7</u>	<u>\$ 3.3</u>	<u>\$ 3.0</u>	<u>\$ 0.1</u>	<u>\$ 12.7</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds: The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended April 30, 2016

As of the end of the current fiscal year, the Village's governmental funds reported combined ending fund balances of roughly \$3.9 million, an increase of \$709 thousand in comparison with the prior year. Approximately half of this amount, \$2.3 million, constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending.

The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2.3 million, while the total fund balance reached \$2.4 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and the total fund balance to total fund expenditures.

The fund balance of the Village's General Fund increased by \$479 thousand during the current fiscal year. Total revenues increased by \$469 thousand while expenditures increased by \$102 thousand.

The following three revenues represented the largest source of funds for the general fund during FY16:

Property Taxes \$2.5 million
Intergovernmental Revenues \$1.8 million
Other Taxes \$1.1 million

The following three expenditures represented the largest use of funds for the general fund during FY16:

Police Department \$2.4 million
Fire Department \$1.2 million
Contributions to pension fund \$624 thousand

The fund balance of the Village's Debt Service Fund increased by \$57,584 with the prior year. The Village's property tax collection for the Debt Service Fund covered all of the principal and interest paid on the Village's debt.

The fund balance of the Village's Capital Projects Fund increased by \$24,458 during the current fiscal year.

The fund balance of the Village's Motor Fuel Tax Fund increased by \$102,032 during the current fiscal year.

The fund balance of the Village's Emergency Telephone System Fund increased by \$45,667 during the current fiscal year.

Proprietary Funds: The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the Water Fund at the end of the year amounted to \$3,297,689, an increase of \$361,239 from the prior year.

VILLAGE OF STICKNEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended April 30, 2016

GENERAL FUND BUDGETARY HIGHLIGHTS

The following chart reflects the condensed Budgetary Comparison Schedule (in millions):

General Fund	<u>Adopted Budget</u>	<u>Actual</u>
Revenues:		
Taxes	\$ 3,671,045	\$ 3,601,825
Other	<u>2,995,555</u>	<u>3,230,447</u>
Total	<u>6,666,600</u>	<u>6,832,272</u>
Expenditures:	<u>6,791,600</u>	<u>6,352,951</u>
Total	<u>6,791,600</u>	<u>6,352,951</u>
Change in fund balance	<u>\$ (125,000)</u>	<u>\$ 479,321</u>

Revenues came in over budget mainly due to a positive variance for intergovernmental revenues (247k over budget).

The Village remains committed to fiscal responsibility and again was able to keep expenditures below budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The largest portion of the Village of Stickney's net position reflects its investments in capital assets (e.g., land, buildings, land improvements and equipment) less any related debts used to acquire those assets that are still outstanding. Capital assets are used to provide services to users of the Village and are not available for future spending.

As of April 30, 2016, the Village had capital assets net of depreciation of \$15,421,559 for governmental funds and \$1,649,976 for the Water Fund. Annual depreciation was \$764,587 and \$111,645, respectively.

The Village invested roughly \$115 thousand in capital assets during the year. The largest investment (\$94 thousand) was for vehicles and trucks.

For more detailed information related to capital assets, see note 6 to the financial statements.

VILLAGE OF STICKNEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended April 30, 2016

Debt Administration

At April 30, 2016, the Village had outstanding debt as follows:

General Obligation Bonds Series 2008	\$	5,845,000
General Obligation Bonds Series 2011		1,485,000
General Obligation Bonds Series 2015		1,165,000
Bond Premium		49,782
Police Time Due Payable		108,582
IMRF Net Pension Liability		615,192
Police Net Pension Liability		15,068,783
Net OPEB Obligation		<u>427,525</u>
Total Outstanding Debt	\$	<u>24,764,864</u>

Bond debt principal paid during the year was \$435,000 while interest expense was \$334,280. There were no changes in credit ratings and/or any debt limitations that may affect the financing of planned facilities or services. For more detailed information related to long-term debt, see Note 8 to the financial statements.

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. Questions concerning this report or requests for additional financial information should be directed to the Village Treasurer, Village of Stickney, 6533 Pershing Road, Stickney, Illinois, 60402.

VILLAGE OF STICKNEY, ILLINOIS
STATEMENT OF NET POSITION
April 30, 2016

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current			
Cash, cash equivalents, and investments	\$ 3,434,433	\$ 1,470,783	\$ 4,905,216
Property taxes receivable	1,536,655	-	1,536,655
Other governmental receivables	462,264	-	462,264
Accounts receivable	188,303	459,397	647,700
Other assets	147,453	-	147,453
Non-current			
Capital assets not being depreciated	1,299,348	25,575	1,324,923
Capital assets being depreciated, net	14,122,211	1,624,401	15,746,612
Total assets	21,190,667	3,580,156	24,770,823
Deferred outflow of resources			
Deferred pension outflows	2,592,024	77,733	2,669,757
Total Deferred outflows of resources	2,592,024	77,733	2,669,757
Liabilities			
Current			
Accounts payable	139,175	196,141	335,316
Accrued payroll	98,935	3,766	102,701
Accrued interest payable	138,070	-	138,070
Other governmental payable	16,487	-	16,487
Current portion - bonds payable	457,446	-	457,446
Non-current			
Bonds payable	8,087,336	-	8,087,336
Net pension liability - IMRF	485,965	129,227	615,192
Net pension liability - police	15,068,783	-	15,068,783
Net OPEB obligation	427,525	-	427,525
Time-due payable	108,582	-	108,582
Total liabilities	25,028,304	329,134	25,357,438
Deferred inflow of resources			
Deferred pension inflows	418,840	31,066	449,906
Property taxes	1,520,058	-	1,520,058
Total Deferred inflow of resources	1,938,898	31,066	1,969,964
Net position			
Net investment in capital assets	6,876,777	1,649,976	8,526,753
Restricted net position			
Special revenue	490,000	-	490,000
Debt service	397,294	-	397,294
Unrestricted	(10,948,582)	1,647,713	(9,300,869)
Total net position	\$ (3,184,511)	\$ 3,297,689	\$ 113,178

VILLAGE OF STICKNEY, ILLINOIS

STATEMENT OF ACTIVITIES
Year Ended April 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary government							
Governmental activities							
General government	\$ 1,159,601	742,400	\$ -	\$ -	\$ (417,201)	\$ -	\$ (417,201)
Public safety	5,208,733	421,911	-	81,890	(4,704,932)	-	(4,704,932)
Public works	1,337,278	282,151	173,578	-	(881,549)	-	(881,549)
Parks & recreation	111,538	13,851	-	-	(97,687)	-	(97,687)
Interest on long-term debt	324,864	-	-	-	(324,864)	-	(324,864)
Total government activities	<u>8,142,014</u>	<u>1,460,313</u>	<u>173,578</u>	<u>81,890</u>	<u>(6,426,233)</u>	<u>-</u>	<u>(6,426,233)</u>
Business-type activities							
Water	<u>3,221,600</u>	<u>3,582,118</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>360,518</u>	<u>360,518</u>
Total business-type activities	<u>3,221,600</u>	<u>3,582,118</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>360,518</u>	<u>360,518</u>
Total primary government	<u>\$ 11,363,614</u>	<u>\$ 5,042,431</u>	<u>\$ 173,578</u>	<u>\$ 81,890</u>	<u>(6,426,233)</u>	<u>360,518</u>	<u>(6,065,715)</u>
General revenues							
Taxes							
Property taxes, levied for general purposes					3,313,630	-	3,313,630
Public service taxes					2,781,034	-	2,781,034
Unrestricted investment earnings					<u>1,883</u>	<u>721</u>	<u>2,604</u>
Total general revenues					<u>6,096,547</u>	<u>721</u>	<u>6,097,268</u>
Change in net position					(329,686)	361,239	31,553
Net position - beginning as restated					<u>(2,854,825)</u>	<u>2,936,450</u>	<u>81,625</u>
Net position - ending					<u>\$ (3,184,511)</u>	<u>\$ 3,297,689</u>	<u>\$ 113,178</u>

VILLAGE OF STICKNEY, ILLINOIS

GOVERNMENTAL FUNDS
BALANCE SHEET
April 30, 2016

	Major Funds					Nonmajor Governmental Funds	Total
	General Fund	Debt Service Fund	Capital Projects Fund	Motor Fuel Tax Fund	Emergency Telephone System Fund		
Assets							
Cash	\$ 1,414,423	\$ 393,136	\$ 141,917	\$ 20,805	\$ 5,108	\$ 35,665	\$ 2,011,054
Investments	588,942	-	405,631	428,806	-	-	1,423,379
Property taxes receivable	1,161,939	374,716	-	-	-	-	1,536,655
Other governmental receivables	446,820	-	-	15,444	-	-	462,264
Other receivables	160,219	-	-	-	28,084	-	188,303
IRMA deposits	147,453	-	-	-	-	-	147,453
Interfund receivable	-	-	18,000	-	-	-	18,000
Total assets	\$ 3,919,796	\$ 767,852	\$ 565,548	\$ 465,055	\$ 33,192	\$ 35,665	\$ 5,787,108
Liabilities, deferred inflows of resources and fund balance							
Liabilities							
Accounts payable	\$ 126,265	\$ -	\$ -	\$ 12,910	\$ -	\$ -	\$ 139,175
Accrued payroll	98,935	-	-	-	-	-	98,935
Interfund payable	-	-	-	-	18,000	-	18,000
Other governmental payable	16,487	-	-	-	-	-	16,487
Total liabilities	241,687	-	-	12,910	18,000	-	272,597
Deferred inflows of resources							
Property tax	1,149,500	370,558	-	-	-	-	1,520,058
Unavailable revenue	82,624	-	994	-	13,002	-	96,620
Total deferred inflows of resources	1,232,124	370,558	994	-	13,002	-	1,616,678
Fund balance							
Unassigned	2,298,532	-	-	-	2,190	-	2,300,722
Restricted for capital projects	-	-	564,554	-	-	-	564,554
Restricted for recreation	-	-	-	-	-	13,102	13,102
Restricted for debt service	-	397,294	-	-	-	-	397,294
Restricted for streets	-	-	-	452,145	-	-	452,145
Restricted for police activities	-	-	-	-	-	22,563	22,563
Nonspendable for IRMA	147,453	-	-	-	-	-	147,453
Total fund balance	2,445,985	397,294	564,554	452,145	2,190	35,665	3,897,833
Total liabilities, deferred inflows of resources and fund balance	\$ 3,919,796	\$ 767,852	\$ 565,548	\$ 465,055	\$ 33,192	\$ 35,665	\$ 5,787,108

VILLAGE OF STICKNEY, ILLINOIS
 RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
 TO STATEMENT OF NET POSITION
 April 30, 2016

Total fund balances - governmental funds	\$	3,897,833
Amounts reported for governmental activities in the statement of net position differ because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		15,421,559
Other long-term assets are not available to pay for current period expenditures and are unavailable in the funds:		
Intergovernmental receivables		96,620
Deferred outflows of resources applicable to the Village's pensions activities do not involve available financial resources and accordingly are not reported on the fund financial statements		2,592,024
Deferred inflows of resources applicable to the Village's pensions activities do not involve available financial resources and accordingly are not reported on the fund financial statements		(418,840)
Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in the governmental funds. These liabilities consist of:		
General obligation bonds		(8,544,782)
Accrued interest on general obligation bonds		(138,070)
Time-due payable		(108,582)
Net OPEB obligation		(427,525)
Net pension liabilities		<u>(15,554,748)</u>
Net position of governmental activities	\$	<u>(3,184,511)</u>

See accompanying notes to financial statements.

VILLAGE OF STICKNEY, ILLINOIS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 Year Ended April 30, 2016

	Major Funds						Nonmajor Governmental Funds	Total
	General Fund	Debt Service Fund	Capital Projects Fund	Motor Fuel Tax Fund	Emergency Telephone System Fund			
Revenues								
Property taxes	\$ 2,486,828	\$ 826,802	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,313,630
Intergovernmental revenues	1,792,830	-	-	-	-	-	-	1,792,830
Other taxes	1,114,997	-	-	-	63,988	-	-	1,178,985
Licenses & permits	446,650	-	-	-	-	-	-	446,650
Fines & fees	648,232	-	-	-	-	-	-	648,232
Other revenue	-	-	-	-	-	-	3,850	3,850
Motor fuel tax allotments	-	-	-	173,578	-	-	-	173,578
Special events	16,311	-	-	-	-	-	-	16,311
Miscellaneous	325,510	-	-	-	-	-	-	325,510
Program revenue	-	-	-	-	-	-	13,851	13,851
Grant revenue	-	-	152,453	5,909	-	-	-	158,362
Investment income	914	26	473	470	-	-	-	1,883
Total revenues	6,832,272	826,828	152,926	179,957	63,988	17,701	17,701	8,073,672
Expenditures								
Current								
Executive & legislative	67,000	-	-	-	-	-	-	67,000
Administration	256,504	-	-	-	-	-	-	256,504
Professional services	205,681	-	-	-	-	-	-	205,681
Police department	2,415,077	-	-	-	-	-	-	2,415,077
Fire department	1,217,557	-	-	-	-	-	-	1,217,557
Public works	227,360	-	-	-	-	-	-	227,360
Public buildings & grounds	183,512	-	-	-	-	-	-	183,512
Miscellaneous	7,437	-	-	-	-	-	-	7,437
Sanitation department	613,670	-	-	-	-	-	-	613,670
Insurance	184,268	-	-	-	-	-	-	184,268
Auditing	20,500	-	-	-	-	-	-	20,500
Municipal retirement	289,352	-	-	-	-	-	-	289,352
Contributions to pension fund	624,450	-	-	-	-	-	-	624,450
Parks & recreation	40,583	-	-	-	-	-	-	40,583
Capital projects	-	-	128,468	-	-	-	-	128,468
Program expenditures	-	-	-	77,925	18,321	-	17,372	113,618
Debt service								
Principal	-	435,000	-	-	-	-	-	435,000
Interest	-	334,280	-	-	-	-	-	334,280
Total expenditures	6,352,951	769,280	128,468	77,925	18,321	17,372	17,372	7,364,317
Excess (deficiency) of revenues over (under) expenditures	479,321	57,548	24,458	102,032	45,667	329	329	709,355
Fund balance at beginning of year	1,966,664	339,746	540,096	350,113	(43,477)	35,336	35,336	3,188,478
Fund balance at end of year	\$ 2,445,985	\$ 397,294	\$ 564,554	\$ 452,145	\$ 2,190	\$ 35,665	\$ 35,665	\$ 3,897,833

See accompanying notes to financial statements.

VILLAGE OF STICKNEY, ILLINOIS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
Year Ended April 30, 2016

Amounts reported in the governmental activities in the statement of activities differ due to the following reasons:

Net changes in fund balance - total governmental funds	\$	709,355
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation in the current period is shown below</p>		
	Capital outlay \$	113,564
	Depreciation	<u>(764,587)</u>
		(651,023)
<p>Various tax revenues in the statement of activities that do not provide current financial resources are unavailable in the fund statements. The change from the prior fiscal year totals:</p>		
		(261,344)
<p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal consumes the current financial resources. Neither transaction, however, has any effect on net position. Also, governmental funds report of the effect premiums, discounts, and similar items when the debt is issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long term debt.</p>		
	Principal Repayment	435,000
	Amortization of Bond Premium	12,446
	Change in Accrued Interest	<u>(3,030)</u>
		444,416
<p>The increase in future salary obligations will not be paid with current financial resources and therefore is not recorded in the fund statements</p>		
	Change in time due payable	3,333
	Change in net OPEB obligation	(85,260)
	Change in IMRF net pension liability	(124,335)
	Change in police net pension liability	(364,828)
		<u>(571,090)</u>
Change in net position - statement of activities	\$	<u>(329,686)</u>

See accompanying notes to financial statements.

VILLAGE OF STICKNEY, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUND
April 30, 2016

	<u>Water Fund</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 1,470,783
Accounts receivable (net of allowances)	<u>459,397</u>
Total current assets	<u>1,930,180</u>
Noncurrent assets	
Capital assets not being depreciated	25,575
Capital assets being depreciated, net	<u>1,624,401</u>
Total noncurrent assets	<u>1,649,976</u>
Total assets	<u>3,580,156</u>
Deferred outflow of resources	
Deferred pensions outflows	<u>77,733</u>
Total Deferred inflow of resources	<u><u>77,733</u></u>
Liabilities	
Current liabilities	
Accounts payable	196,141
Accrued payroll	<u>3,766</u>
Total current liabilities	<u>199,907</u>
Noncurrent liabilities	
Net pension liability - IMRF	<u>129,227</u>
Total noncurrent liabilities	<u>129,227</u>
Total liabilities	<u>329,134</u>
Deferred inflow of resources	
Deferred pension inflows	<u>31,066</u>
Total Deferred inflow of resources	<u><u>31,066</u></u>
Net position	
Net investment in capital assets	1,649,976
Unrestricted	<u>1,647,713</u>
Total net position	<u>\$ 3,297,689</u>

VILLAGE OF STICKNEY, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 Year Ended April 30, 2016

	<u>Water Fund</u>
Operating revenues	
Charges for services	\$ 3,582,118
Total operating revenues	<u>3,582,118</u>
Operating expenses	
Water purchases	2,101,182
Water administration	1,008,773
Depreciation	<u>111,645</u>
Total operating expenses	<u>3,221,600</u>
Operating income (loss)	<u>360,518</u>
Nonoperating revenues (expenses)	
Investment income	<u>721</u>
Total nonoperating revenues (expenses)	<u>721</u>
Net income (loss)	361,239
Net position at beginning of year, as restated	<u>2,936,450</u>
Net position at end of year	<u>\$ 3,297,689</u>

VILLAGE OF STICKNEY, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Year Ended April 30, 2016

	<u>Water Fund</u>
Increase (decrease) in cash and cash equivalents	
Cash flows from operating activities	
Cash received from customers	\$ 3,512,151
Cash payments to suppliers for goods and services	(2,075,115)
Cash payments to employees for services	<u>(995,679)</u>
Net cash provided (used) by operating activities	<u>441,357</u>
Cash flows from investing activities	
Interest and dividends on investments	<u>721</u>
Net cash provided (used) by investing activities	<u>721</u>
Net increase (decrease) in cash and cash equivalents	442,078
Cash and cash equivalents at beginning of year	<u>1,028,705</u>
Cash and cash equivalents at end of year	<u>\$ 1,470,783</u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income (loss)	<u>\$ 360,518</u>
Adjustment to reconcile operating income to net cash provided by operating activities	
Depreciation	111,645
Changes in assets and liabilities	
(Increase) decrease in accounts receivable	(69,967)
(Increase) decrease in deferred outflows	(67,067)
Increase (decrease) in payables	26,067
Increase (decrease) in accrued payroll	(19,969)
Increase (decrease) in NPL	69,064
Increase (decrease) in deferred inflows	31,066
Total adjustments	<u>80,839</u>
Net cash provided by operating activities	<u>\$ 441,357</u>

VILLAGE OF STICKNEY, ILLINOIS
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 April 30, 2016

	Pension <u>Trust Fund</u> Police <u>Pension Fund</u>
Assets	
Cash & cash equivalents	\$ 789,870
Investments	
US government and agency obligations	906,805
Municipal obligations	251,294
Corporate obligations	1,037,720
Equity mutual funds	<u>1,730,738</u>
Total investments	3,926,557
Accrued interest	<u>19,759</u>
Total assets	<u>4,736,186</u>
 Net position restricted for pensions	 <u>\$ 4,736,186</u>

VILLAGE OF STICKNEY, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 Year Ended April 30, 2016

	<u>Police Pension Fund</u>
Additions	
Contributions	
Employer	\$ 624,450
Plan members	<u>129,722</u>
Total contributions	<u>754,172</u>
Investment earnings	
Interest income	124,924
Net change in fair value	<u>(346,174)</u>
	(221,250)
Less investment expenses	<u>(15,232)</u>
Total investment earnings	<u>(236,482)</u>
Total additions	<u>517,690</u>
Deductions	
Administration	12,676
Benefits and refunds	<u>849,146</u>
Total deductions	<u>861,822</u>
Change in net position	(344,132)
Net position - beginning of year	<u>5,080,318</u>
Net position - end of year	<u>\$ 4,736,186</u>

See accompanying notes to financial statements.

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of the Village of Stickney, Illinois are described below to enhance the usefulness of the financial statements to the readers.

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

Reporting Entity: The Village has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 61, The Financial Reporting Entity, under which the financial statements include all the organizations, activities, functions, and component units for which the Village is financially accountable. Financial accountability is defined as an appointment of a voting majority of the component units board and either (1) the Village's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village.

Because of the nature of the relationship of the Village and the Police Pension Fund, the Village has included the Police Pension Fund as a fiduciary component unit within the Village's basic financial statements. A financial report that includes financial statements and required supplementary information for the Police Pension Fund is available from the Village of Stickney, 6533 West Pershing Road, Stickney, Illinois 60402.

Basis of Presentation: The Village's basic financial statements consist of Village-wide statements, including a statement of net position, statement of activities, and fund financial statements, which provide a more detailed level of financial information. The Village-wide focus is more on the sustainability of the Village as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

Village-Wide Financial Statements – The statement of net position and the statement of activities display information about the Village as a whole. In the Village-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Village-wide statement of activities reflects both the direct expenses and net cost of each function of the Village's governmental activities and business-like activity. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Village, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the Village

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements – The financial transactions of the Village are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, deferred inflows and deferred outflows, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category — governmental, proprietary, and fiduciary — are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

Measurement Focus and Basis of Presentation

Village-Wide Financial Statements – The Village-wide financial statements and fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the balance sheet and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

The Village has reported three categories of program revenues in the statement of activities: (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Village's general revenues. For identifying the function to which a program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net position to remove the “grossing up” effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables and advances. Similarly, operating transfers between funds have been eliminated in the statement of activities. Amounts reported in the governmental funds as receivable from or payable to fiduciary funds have been reclassified in the statement of net position as accounts receivable or payable to external parties.

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues accrued at the end of the year include real estate tax, state sales tax, state income tax, and motor fuel tax. All other revenue items are considered to be measurable and available only when cash is received by the government. Non-exchange transactions, in which the Village receives value without directly giving equal value in return, include taxes, grants, and donations. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unavailable revenue is reported on the governmental fund balance sheet as a deferred inflow of resources. Unavailable revenues arise when potential revenue does not meet both the measurable and available criteria. Unavailable revenues also arise when resources are received prior to the government having a legal claim to them. In a subsequent period, when both recognition criteria are met or when the government has a legal claim to the resources, the deferred inflow of resources is removed and the revenue recognized. Grant proceeds received by the Village before they are earned do not meet this criteria and are presented as a liability.

Proprietary funds separate all activity into two categories: operating revenues and expenses and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses entail all other activity not included in operating revenues and expenses. Non-operating revenues and expenses include capital and noncapital financing activities and investing activities.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Village's policy to apply restricted resources first, then unrestricted resources as needed.

Differences occur from the manner in which the governmental activities and the Village-wide financial statements are prepared that are due to the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the Village-wide statements and the statements for governmental funds.

The Village reports the following major governmental funds:

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

Debt Service Fund: To account for the accumulation of resources for and the payment of general long-term debt principal and interest.

Capital Projects Fund: To account for financial resources to be used for the acquisition or construction of major capital facilities that are not financed by Proprietary and Trust Funds.

Motor Fuel Tax Fund: To account for activity of the Village's Motor Fuel Tax Allotments from the State of Illinois. This activity generally includes road resurfacing and other infrastructure improvements. The main revenue stream relates to funding from Motor Fuel Tax allotments.

Emergency Telephone System Fund: To account for the activity related to the proceeds from the State 911 Board.

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

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

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Funds

Proprietary funds account for operations that are (a) 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 are financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The Village reports the following major proprietary fund:

Water Fund: The fund accounts for the provision of waste water services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Fiduciary Funds

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

Police Pension Trust Fund: The fund accounts for assets held by the Village as a trustee. The pension trust fund has resources that are required to be held in trust for the members and beneficiaries of the pension plan.

Cash and Investments

Cash and Cash Equivalents: For purposes of the statement of cash flows, the government's proprietary fund types consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments: Investments are stated at fair value in accordance with GASB 31. Fair values for Illinois Funds are the same as the value of the pool shares. State statute requires these funds to comply with the Illinois Public Funds Investment Act (30 ILCS 235).

Short-Term Receivables/Payable: During the course of operations, transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "advances from other funds" or "advances to other funds" on the balance sheet. Short-term interfund loans, if any, are classified as "interfund receivables/payables."

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the Village-wide financial statements as "internal balances."

Capital Assets: Capital assets, which include land, property, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the village-wide financial statements. As allowed by GASB Statement 34, the Village, as a phase-three government, has elected to report governmental activities infrastructure assets acquired subsequent to May 1, 2004. Capital assets are defined by the Village as assets with a useful life of more than one year and an initial individual cost of more than \$5,000.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

All reported capital assets, except land, site improvements, and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Land improvements	20	Years
Buildings	15-40	Years
Furniture and office equipment	5-10	Years
Equipment	10	Years
Vehicles	3-20	Years
Waterworks system	50	Years
General infrastructure assets	40	Years

Compensated Absences Payable: An ordinance adopted by the Village Board of Trustees provides a written policy for sick leave and vacation for salaried and hourly-paid employees of the Village. In accordance with this ordinance, vacations must be taken in the year earned or forfeited. Sick pay is allowable in accordance with the allowable days provided in the ordinance. Sick pay can be accumulated or accrued, but will not be paid out upon an employee's termination or retirement. Consequently, no liability for accrued vacations and sick leave has been provided for in these financial statements. However, police officers earn comp time, which the Village is liable to pay should the officer leave the Village. Therefore, this amount of comp time earned but not used or paid is recorded in the Village-wide financial statements as Time Due Payable.

Long-Term Obligations: In the Village-wide financial statements and in the proprietary fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize bond premiums and discounts, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as a debt service expenditure in the year incurred.

Fund Equity/Net Position: In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The components of fund balance include the following line items:

- a. Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b. Restricted fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- c. Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the Village, the Board of Trustees is the highest level of decision making. As of April 30, 2016, the Village does not have any commitments of fund balance.
- d. Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the Board of Trustees designated for that purpose. The intended use is established by an official designated for that purpose. The Board of Trustees has not designated any members of management for this purpose.
- e. Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. In addition, negative fund balance in other funds, besides the General Fund, is shown as unassigned.

If there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the Village will consider committed fund balance to be spent first, then assigned fund balance and finally unassigned fund balance. The Village will also consider restricted fund balance to be spent before unrestricted.

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

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

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

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of net 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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village reports change in pension assumptions, loss on pension investments, and contributions subsequent to the measurement date. Changes in pension plan assumptions are deferred and amortized over the average of the expected remaining service lives of employees that are provided with benefits through the pension plan. Loss on pension investments are deferred and amortized over five years. Contributions subsequent to the measurement date are recognized in the next year.

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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has an item, which arises only under a modified

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Certain amounts related to pensions must be deferred. Differences between expected and actual experience are deferred and amortized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan.

Property Taxes: Property taxes that have been levied but not collected during the year are recorded as property taxes receivable and Unavailable revenue to the extent they will not be available to finance current operations. Property taxes are levied and attach as an enforceable lien on property on January 1 and are payable in two installments on March 1 and (normally) August 1 subsequent to the year of levy. Property taxes are recognized as revenue when they are available to finance operations (within 60 days of year end). This method of recognizing property tax revenue resulted in unavailable 2016 tax revenue since this amount will not be collected within 60 days of year end and will not be available to finance operations until the succeeding year.

Use of Estimates: Management has made a number of estimates and assumptions relating to the reporting of assets and liabilities to prepare these financial statements in conformity with generally accepted accounting principles. Actual results could differ.

Commitments: The Village has no significant commitments at year end relating to construction projects.

NOTE 2 - DEPOSITS AND INVESTMENTS

Village

Cash

The carrying amount of cash, excluding the Pension Trust Fund, was \$3,044,315 at April 30, 2016, while the bank balances were \$2,945,706. Of the total bank balances, \$250,000 was insured by the Federal Deposit Insurance Corporation (FDIC). The remaining \$2,695,706 was fully collateralized as of year-end.

Investments (excluding Pension Trust Fund)

Illinois statutes authorized the Village to invest in obligations of the U.S. Treasury, U.S. agencies, and banks and savings and loan associations covered by federal depositary insurance.

The following schedule reports the fair values for the Village's investments at April 30, 2016. All investments mature in less than one year:

<u>Investment Type</u>	<u>Fair Value</u>
Illinois Funds – State Treasurer	\$ 1,992,499

The value of the Illinois Funds equates to the number of shares owned as of April 30, 2016.

Interest Rate Risk – The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – The Village's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. Illinois Funds are rated AAA by Standard & Poor's.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village’s investments are fully collateralized as of April 30, 2016.

Concentration of Credit Risk – The Village places no limit on the amount the Village may invest in any one issuer. More than 5% of the Village’s investments are in Illinois Funds. These investments are 100% of the Village’s investments.

Police Pension Fund

Deposits, Investments, and Concentrations – The deposits and investments of the Pension Fund are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest-bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Funds (Formerly known as IPTIP, accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed 10% of the Pension Fund’s plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase.

Pension funds with net position of 2.5 million or more may invest up to 45% of plan net position in separate account of life insurance companies and mutual funds. Pension funds with a net position of at least 5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan’s net position in common and preferred stocks that meet specific restrictions. In addition, pension funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to 50% of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to 55% effective July 1, 2012.

Deposits – At year end, the carrying amount and bank balance of the Pension Fund’s deposits totaled \$789,870 and \$717,758, respectively.

Investments – At year end, the Pension Fund has the following investments and maturities (using the time segmented distribution method):

Investment Type	Fair Value	Less Than			More Than
		1	1-5	6-10	10
U.S. Govt and Agency Obligations	\$ 906,805	\$ 199,997	\$ 314,963	\$ -	\$ 391,845
Municipal Obligations	251,294	251,294	-	-	-
Corporate Obligations	<u>1,037,720</u>	<u>540,659</u>	<u>376,592</u>	-	<u>120,469</u>
Total	<u>\$2,195,819</u>	<u>\$ 991,950</u>	<u>\$ 691,555</u>	<u>\$ -</u>	<u>\$ 512,314</u>

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)

Police Pension Fund (Continued):

The difference between the fair value total above of \$2,195,819 and the amount on the Statement of Fiduciary Net Position of \$3,926,557 is due to investments without finite maturity dates. These investments include equity mutual funds in the amount of \$1,730,738.

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

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Pension Fund's investment policy, the Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Pension Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The Investments in the securities of U.S. government agencies were all rated triple A by Standard & Poor's or by Moody's Investors Services. The Pension Fund's investment policy also prescribes to the "prudent person" rule, which states,

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates return."

Custodial Credit Risk – Deposits: In the case of deposits, the risk is that in the event of a bank failure, the Pension Fund's deposits may not be returned. At April 30, 2016, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Fund's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance.

Custodial Credit Risk – Investments: For an investment, the risk is that, in the event of the failure of the counterparty, the Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. The Pension Fund limits its exposure to custodial credit risk by using an independent third-party institution, selected by the Pension Fund, to act as custodian for its securities and collateral.

Concentration of Credit Risk – The risk is loss attributed to the magnitude of the Fund's investment in a single issuer. At April 30, 2016, the Pension Fund has no investments over 5% of net plan investments that are required to be disclosed by GASB.

NOTE 3 - DEFINED BENEFIT PENSION PLAN

Employee Retirement System – Defined Benefit Pension Plans, Plan Descriptions - The Village contributes to two defined benefit pension plans: the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan. The Police Pension Plan issues a financial report that includes financial statements and required supplementary information. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The IMRF report may be obtained on-line at www.imrf.org.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund:

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

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

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

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

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms – As of December 31, 2015 the following employees were covered by the benefit terms:

Retirees and Beneficiaries currently receiving benefits	17
Inactive Plan Members entitled to but not yet receiving benefits	14
Active Plan Members	<u>27</u>
Total	<u><u>58</u></u>

Contributions - As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2015 was 10.29%. For the fiscal year ended April 30, 2016, the Village's contributed \$251,189 to the plan.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Continued)

The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net pension liability – The Village's net pension liability for IMRF was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions – The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.75%
Salary Increases	3.75% to 14.50%, including inflation
Investment Rate of Return	7.49%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, and IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current year IMRF experience.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2015 Illinois Municipal Retirement Fund annual actuarial valuation. There were no benefit changes during the year.

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

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38.00%	7.39%
International Equity	17.00%	7.59%
Fixed Income	27.00%	3.00%
Real Estate	8.00%	6.00%
Alternative Investments	9.00%	2.75%-8.15%
Cash Equivalents	1.00%	2.25%
	<u>100.00%</u>	

Discount rate - A single discount rate of 7.49% was used to measure the total pension liability. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rates reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits and (2) the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Based on those assumptions, the fiduciary net position was projected to not be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was blended with the AA rated general obligation bond index at December 31, 2015 to arrive at the discount rates used to determine the total pension liability. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.49%.

Changes in the net pension liability:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balances at December 31, 2014	\$ 5,956,286	\$ 5,669,876	\$ 286,410
Changes for the year:			
Service cost	163,453	-	163,453
Interest on the total pension liability	444,908	-	444,908
Diferrence between expected and actual experience of the total pension liability	(181,127)	-	(181,127)
Changes of assumptions	9,144	-	9,144
Benefit payments, including refunds of employee contributions	(211,812)	(211,812)	-
Contributions - employer	-	152,899	(152,899)
Contributions - employee	-	66,866	(66,866)
Net investment income	-	28,369	(28,369)
Other (net transfer)	-	(140,538)	140,538
Net changes	<u>224,566</u>	<u>(104,216)</u>	<u>328,782</u>
Balances at December 31, 2015	<u>\$ 6,180,852</u>	<u>\$ 5,565,660</u>	<u>\$ 615,192</u>

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Continued)

The net position liability has been allocated as follows:

Governmental activities	\$ 485,965
Water fund	<u>129,227</u>
Total	<u>\$ 615,192</u>

Sensitivity of the net pension liability to changes in the discount rate - The following presents the net pension liability of the Village, calculated using the discount rate of 7.49%, as well as what the Village's net pension liability for the regular IMRF plan would be if it were calculated using a discount rate that is 1-percentage-point lower (6.49%) or 1-percentage-point higher (8.49%) than the current rate:

	1% Decrease <u>6.49%</u>	Current Discount Rate <u>7.49%</u>	1% Increase <u>8.49%</u>
Village's IMRF net pension liability for the regular plan	\$ 1,613,286	\$ 615,192	\$ (187,670)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended April 30, 2016 the Village recognized pension expense of \$308,586 for the IMRF plan. At April 30, 2016, the Village reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 147,891
Assumption changes	7,466	-
Net difference between projected and actual earnings on pension plan investments	313,520	-
Contributions made subsequent to the measurement date	<u>49,064</u>	<u>-</u>
Total	<u>\$ 370,050</u>	<u>\$ 147,891</u>

In 2016, there was \$49,064 reported as deferred outflows of resources related to pension contributions made subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2017. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending April 30:	
2017	\$ 46,822
2018	46,822
2019	46,822
2020	46,822
2021	<u>(14,193)</u>
Total	<u>\$ 173,095</u>

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Continued)

Police Pension:

Plan Description - Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (40 ILCS 5/3) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. At April 30, 2016, the Police Pension Trust Fund Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	17
Active plan members	<u>16</u>
Total	<u><u>33</u></u>

Benefits Provided - Tier 1 employees (those hired prior to January 1, 2012) 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 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2012) 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 shall not exceed \$106,800 however, that amount shall increase annually by the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% 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. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions - Covered employees are required to contribute 9.91% of their base salary to the Police Pension Trust Fund Plan. This is determined by and can only be amended by State Statute. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Administrative costs are financed through investment earnings. Employer contributions for 2016 were \$624,450.

Basis of Accounting - The financial statements of the pension fund are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as additions when they are due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefit and refunds are recorded as deductions when due and payable in accordance with the terms of the plan.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Continued)

Method Used to Value Investments - Fixed-income securities are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Net Pension Liability - The Plan's net pension liability was measured as of April 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 30, 2016.

Postemployment Benefit Changes - Eligibility for postemployment benefits increases is determined based on the Illinois Pension code. Tier 1 Police retirees are provided with an annual 3.0% increase in retirement benefits by statute when eligible. Tier 2 Police retirees are provided postemployment benefit increases based on one-half of the Consumer Price Index (Urban) for the prior September.

The CPI-U for September, 1985 was 108.3. The CPI-U for September, 2015 was 237.9. The average increase in the CPI-U for September, 1985 through September, 2015 was 2.66% (on a compounded basis.)

Actuarial assumptions - The total pension liability in the actuarial valuation as of April 30, 2016 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<u>Actuarial Assumptions</u>	
Interest Rate	6.00%
Salary Increases	5.00%
Cost of Living Adjustments	2.00 - 3.00%
Inflation	2.50%

All rates shown in the economic assumptions are assumed to be annual rates, compounded on an annual basis. Mortality rates were based on the RP-2014 Mortality Table. The actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Expected Return on Pension Plan Investments - The long-term expected rate of return on pension plan investments was determined using an asset allocation study conducted by the Fund's investment management consultant in May 2016 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2016 are summarized in the following tables:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2%	0.00%
Fixed Income	53%	1.30%
Domestic Equities	20%	5.40%
International Equities	10%	5.50%
Real Estate	5%	4.50%
Blended	10%	3.50%
	<u>100%</u>	

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Continued)

Long-term expected real returns under GASB are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The rates above are intended to estimate those figures.

Rate of Return. For the year ended April 30, 2016, the annual money weighted rate of return on the plan's assets, net of plan investment expenses, was (4.73%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate. The discount rate used to measure the total pension liability was 6.00%, the same as the prior valuation.

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

Changes in the net pension liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at April 30, 2015	\$ 17,786,580	\$ 5,080,318	\$12,706,262
Changes for the year:			
Service cost	366,193	-	366,193
Interest on the total pension liability	1,041,720	-	1,041,720
Diferrence between expected and actual experience of the total pension liability	(302,015)	-	(302,015)
Changes of assumptions	1,761,637	-	1,761,637
Benefit payments, including refunds of employee contributions	(849,146)	(849,146)	-
Contributions - employer	-	624,450	(624,450)
Contributions - employee	-	129,722	(129,722)
Net investment income	-	(236,482)	236,482
Other (net transfer)	-	(12,676)	12,676
Net changes	<u>2,018,389</u>	<u>(344,132)</u>	<u>2,362,521</u>
Balances at April 30, 2016	<u>\$ 19,804,969</u>	<u>\$ 4,736,186</u>	<u>\$15,068,783</u>

Sensitivity of the net pension liability to changes in the discount rate - The following presents the net pension liability of the Plan calculated using the discount rate of 6.00 percent, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.00 percent) or 1-percentage point higher (7.00 percent) than the current rate:

	1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
Village's net pension liability for the Police Pension	<u>\$ 17,818,574</u>	<u>\$ 15,068,783</u>	<u>\$ 12,816,587</u>

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Continued)

Pension Expense and Deferred Outflows of Resources Related to Pensions - For the year ended April 30, 2016 the Village recognized pension expense of \$989,278 for the Police Pension Plan. At April 30, 2016, the Village reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ -	\$ 302,015
Changes of Assumptions	1,761,637	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	538,070	-
Total	\$ 2,299,707	\$ 302,015

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

	Year Ended April 30		
2017	\$	377,914	
2018		377,914	
2019		377,914	
2020		377,914	
2021		377,914	
Thereafter		108,122	
Total	\$	1,997,692	

Summary of Pension Items:

	IMRF	Police	Total
Net Pension Liability	\$ 615,192	\$ 15,068,783	\$ 15,683,975
Deferred Outflows of Resources	370,050	2,299,707	2,669,757
Deferred Inflows of Resources	147,891	302,015	449,906
Pension Expense	308,586	989,278	1,297,864

NOTE 4 – OTHER POST EMPLOYMENT BENEFIT PLAN

Plan Description. The Village provides limited health care insurance coverage for its eligible retired employees in a single employer plan. The Plan does not issue a stand-alone report. Employer provided benefit is 100% of health premiums for life for eligible disabled employees, police, and dispatch with 25 years of service, 100% of single premium to age 65. At May 1, 2015 (the most recent actuarial valuation date), the OPEB plan membership consisted of:

Actives Fully Eligible to Retire	4
Actives Not Yet Fully Eligible to Retire	29
Retirees and Dependents	8
Total	41

Funding Policy. Funding is provided by the Village on a pay-as-you-go basis. Retirees and their dependents may continue coverage under The Village's group health program. The Village's contribution on behalf of the employees to the insurance provider was \$95,113 for 2016.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 4 – OTHER POST EMPLOYMENT BENEFIT PLAN (Continued)

Annual OPEB Cost and Net OPEB Obligation. The Village's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the *Entry Age actuarial method*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The following table shows the components of the Village's annual OPEB cost for fiscal year 2016, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation:

<u>Annual OPEB Cost and Net OPEB Obligation</u>	<u>April 30, 2016</u>
Annual required contribution	\$ 178,092
Interest on net OPEB obligation	13,691
Adjustment to annual required contribution	<u>(11,409)</u>
Annual OPEB cost	180,374
Contributions made	<u>95,113</u>
Increase (decrease) in net OPEB obligation	85,260
Net OPEB obligation beginning of year	<u>342,265</u>
Net OPEB obligation end of year	<u>\$ 427,525</u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 was as follows:

<u>Actuarial Fiscal Year End</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost</u>	<u>Net OPEB Obligation</u>
4/30/2016	\$ 180,374	53.00%	\$ 427,525
4/30/2015	220,169	62.50%	342,265
4/30/2014	219,622	62.70%	259,692

Funded Status and Funding Progress. As of May 1, 2015 (the most recent actuarial valuation date), the plan was unfunded. The actuarial accrued liability for benefits was approximately \$2.5 million.

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) - Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
5/1/2015	\$ -	\$ 2,479,199	\$ 2,479,199	0.0%	N/A	N/A
4/30/2013	-	2,977,055	2,977,055	0.0%	2,522,158	118.0%
4/30/2011	-	2,681,522	2,681,522	0.0%	2,342,810	114.5%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 4 – OTHER POST EMPLOYMENT BENEFIT PLAN (Continued)

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

In the May 1, 2015 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of (3.2%) initially, then 7.5% which would be reduced by increments of 0.5% every two years until an ultimate rate of 5.0%. Both rates included a 2.5% inflation assumption. The actuarial value of assets was marked to the market value of the retiree healthcare account as of April 30, 2016. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2016, was 30 years.

NOTE 5 – IRS SECTION 457 COMPENSATION PLANS

The Village offers its employees two compensation plans created in accordance with Internal Revenue Code Section 457 and administered by two outside providers. The plans permit eligible employees to delay a portion of their salary until future years. The compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The plan complies with subsection (g)(1) of the Internal Revenue Code Section 457, which requires that all assets and income of the plan described in subsection (b)(6) be held in trust for the exclusive benefit of the participants and their beneficiaries. As a result, the Village no longer acts in a fiduciary capacity; thus, the plan is no longer required to be reported in the financial statements of the Village.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 6 - CAPITAL ASSETS

A summary of changes in the Village's Governmental capital assets for the period May 1, 2015 through April 30, 2016 follows:

	Balance <u>May 1, 2015</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>April 30, 2016</u>
Governmental activities				
Capital assets not being depreciated				
Land	\$ 1,299,348	\$ -	\$ -	\$ 1,299,348
Capital assets being depreciated:				
Land improvements	1,003,673	-	-	1,003,673
Buildings	9,623,721	-	-	9,623,721
Furniture and office equipment	107,806	-	-	107,806
Equipment	1,223,784	10,088	-	1,233,872
Vehicles and trucks	2,765,911	94,262	42,213	2,817,960
Infrastructure	7,766,221	9,214	-	7,775,435
Subtotal	<u>22,491,116</u>	<u>113,564</u>	<u>42,213</u>	<u>22,562,467</u>
Accumulated depreciation				
Land improvements	570,817	43,643	-	614,460
Buildings	3,297,005	253,112	-	3,550,117
Furniture and office equipment	76,377	5,669	-	82,046
Equipment	787,801	81,656	-	869,457
Vehicles and trucks	1,894,463	186,122	42,213	2,038,372
Infrastructure	1,091,419	194,385	-	1,285,804
Subtotal	<u>7,717,882</u>	<u>\$ 764,587</u>	<u>\$ 42,213</u>	<u>8,440,256</u>
Total capital assets being depreciated, net	<u>14,773,234</u>			<u>14,122,211</u>
Total governmental capital assets, net	<u>\$ 16,072,582</u>			<u>\$ 15,421,559</u>

Depreciation expense of the governmental activities was allocated as shown below.

General government	\$ 73,872
Public safety	375,394
Public works	258,763
Culture and recreation	56,558
	<u>\$ 764,587</u>

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 6 - CAPITAL ASSETS (Continued)

A summary of changes in the Village's Business-type capital assets for the period from May 1, 2015 through April 30, 2016 follows:

	<u>Balance</u> <u>May 1, 2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>April 30, 2016</u>
Business-type activities				
Capital assets not being depreciated				
Land	\$ 25,575	\$ -	\$ -	\$ 25,575
Capital assets being depreciated:				
Pumping station and tower	967,039	-	-	967,039
Water works system	949,000	-	-	949,000
Office equipment	59,216	-	-	59,216
Trucks & accessories	171,975	-	28,666	143,309
Improvements to system	1,920,033	-	-	1,920,033
Buildings	789,049	-	-	789,049
Subtotal	<u>4,856,312</u>	<u>-</u>	<u>28,666</u>	<u>4,827,646</u>
Accumulated depreciation				
Pumping station and tower	254,361	18,649	-	273,010
Water works system	745,937	11,343	-	757,280
Office equipment	51,915	3,650	-	55,565
Trucks & accessories	169,062	485	28,666	140,881
Improvements to system	1,264,491	38,401	-	1,302,892
Buildings	634,500	39,117	-	673,617
Subtotal	<u>3,120,266</u>	<u>\$ 111,645</u>	<u>\$ 28,666</u>	<u>3,203,245</u>
Total capital assets being depreciated, net	<u>1,736,046</u>			<u>1,624,401</u>
Total business-type capital assets, net	<u>\$ 1,761,621</u>			<u>\$ 1,649,976</u>

All depreciation from business-type activities is charged to the water fund.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 7 - LONG-TERM DEBT

The following is a summary of changes in the Village's long-term debt:

	<u>May 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>April 30, 2016</u>	<u>Current</u>
Governmental activities:					
G.O. Bonds Series 2008	\$ 5,955,000	\$ -	\$ 110,000	\$ 5,845,000	\$ 120,000
G.O. Bonds Series 2011	1,660,000	-	175,000	1,485,000	175,000
G.O. Bonds Series 2015	1,315,000	-	150,000	1,165,000	150,000
Bond Premium	62,228	-	12,446	49,782	12,446
Total GO Bonds	<u>8,992,228</u>	<u>-</u>	<u>447,446</u>	<u>8,544,782</u>	<u>457,446</u>
IMRF NPL	134,843	351,122	-	485,965	-
Police Pension NPL	12,706,262	2,362,521	-	15,068,783	-
OPEB Obligation	342,265	85,260	-	427,525	-
Police Time Due Payable	111,915	-	3,333	108,582	-
Total governmental liabilities	<u>\$ 22,287,513</u>	<u>\$ 2,798,903</u>	<u>\$ 450,779</u>	<u>\$ 24,635,637</u>	<u>\$ 457,446</u>
	<u>May 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>April 30, 2016</u>	<u>Current</u>
Business-type activities:					
IMRF NPL	<u>\$ 49,497</u>	<u>\$ 79,730</u>	<u>\$ -</u>	<u>\$ 129,227</u>	<u>\$ -</u>

Interest paid during the year on the Series 2008, 2011, and 2015 General Obligation Bonds was \$334,280. All bonds are paid from the Debt Service Fund. All other debt is expected to be paid from the General Fund.

On September 25, 2008, the Village issued General Obligation Bonds Series 2008 in the amount of \$6,400,000. The proceeds from the bonds were used for various capital projects within the Village. Interest payments are due every six months starting with interest rates varying from 3.0% to 4.5%. Principal payments are due annually on December 1. The bond is scheduled to mature on December 1, 2028.

On September 7, 2011, the Village issued General Obligation Bonds Series 2011 for \$2,390,000. These funds were used to currently refund (pay in full) the Series 2001 bond issuance in order to reduce the Village's interest expense. The rate of interest on the Series 2011 ranges from 2.0 to 3.75%. Principal payments are due annually on December 1. The bond is scheduled to mature through December 1, 2023.

On February 10, 2015, the Village issued General Obligation Bonds Series 2015 for \$1,315,000. These funds were used to currently refund (pay in full) the Series 2004 bond issuance in order to reduce the Village's interest expense. The rate of interest on the Series 2015 ranges from 2.0 to 3.0%. Principal payments are due annually on December 1. This bond is scheduled to mature on December 1, 2019.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 Year Ended April 30, 2016

NOTE 7 - LONG-TERM DEBT (Continued)

Debt Service Requirements Until Maturity

<u>Fiscal Year</u>	<u>GO Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2017	\$ 445,000	\$ 331,367
2018	465,000	318,292
2019	490,000	303,860
2020	1,065,000	288,070
2021	550,000	254,845
2022-2026	3,110,000	936,925
2027-2029	<u>2,370,000</u>	<u>215,360</u>
Total	<u>\$ 8,495,000</u>	<u>\$ 2,648,719</u>

NOTE 8 - INSURANCE

Intergovernmental Risk Management Agency: The Village has entered into a contractual agreement with the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in northeastern Illinois that have formed an association under the Illinois Intergovernmental Cooperation's 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.

The Village appoints one delegate, along with an alternate delegate, to represent the Village on the Board of Directors. The Village does not exercise any control over the activities of the Agency 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. The Village has a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

Should a claim be paid by IRMA for which these reserves proved inadequate, the Village would be responsible for paying a portion of such deficiency. However, at April 30, 2016, management knows of no claim, asserted or unasserted, which if asserted and paid would have a materially adverse effect on the financial position of the various funds of the Village at April 30, 2016. The amount of settlements has not exceeded coverage during the past three fiscal years.

Health Insurance: The Village has purchased medical insurance through the State of Illinois Local Government Health Plan to cover its employees. The amount of coverage has neither decreased nor has the amount of settlements exceeded coverage during the past three fiscal years.

NOTE 9 – INTERFUND ACTIVITY

At year end, the emergency telephone system fund owes the capital projects fund \$18,000.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 10 – NEW GOVERNMENTAL ACCOUNTING STANDARDS

In February 2015, the GASB issued Statement 72, *Fair Value Measurement and Application*. The objective of this Statement is to address accounting and financial reporting issues related to fair value measurements and provide guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This Statement is effective for the Village's fiscal year ended April 30, 2017. This statement will require a change to the deposits and investments footnote.

In June 2015, the GASB issued Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This Statement establishes requirements for those pensions and pension plans that are not administered through a trust not covered by Statements 67 and 68. This Statement is effective for the Village's fiscal year ended April 30, 2017. This will have no effect on the Village.

In June 2015, the GASB issued Statement 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Statement 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The Statement follows the framework for financial reporting of defined benefit OPEB plans in Statement 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments. Statement 74 also sets forth note disclosure requirements for defined contribution OPEB plans. This Statement is effective for the Village's fiscal year ended April 30, 2018. This statement will have an effect on the financial statements of the Village as the OPEB plan does not currently issue separate statements.

In June 2015, the GASB issued Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement replaces the requirements of Statement 45 and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Statement 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. Among the new note disclosures is a description of the effect on the reported OPEB liability of using a discount rate and a healthcare cost trend rate that are one percentage point higher and one percentage point lower than assumed by the government. The new RSI includes a schedule showing the causes of increases and decreases in the OPEB liability and a schedule comparing a government's actual OPEB contributions to its contribution requirements. This Statement is effective for the Village's fiscal year ended April 30, 2019. This statement will have an effect on the Village as the OPEB liability will be added to the statement of net position.

In June 2015, the GASB issued Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement is intended to improve financial reporting for governments by establishing a framework for the evaluation of accounting guidance that will result in governments applying that guidance with less variation. That will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments. The Statement also is intended to improve implementation guidance by elevating its authoritative status to a level that requires it be exposed for a period of broad public comment prior to issuance, as is done for other GASB pronouncements. This Statement is effective for the Village's fiscal year ended April 30, 2017. This will have no impact on the presentation of the financial statements.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 10 - NEW GOVERNMENT ACCOUNTING STANDARDS (Continued)

In August 2015, the GASB issued Statement 77, *Tax Abatement Disclosures*. This Statement is intended to improve financial reporting by requiring disclosure of tax abatement information about a reporting government's own tax abatement agreements and those that are entered into by other governments and that reduce the reporting government's tax revenues. This Statement is effective for the Village's fiscal year ended April 30, 2017. Management has not determined what impact, if any, this statement will have on its financial statements.

In December 2015, the GASB issued Statement 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local government employers whose employees are provided with such pensions. This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employees through a cost –sharing multiple-employer defined benefit pension plan that is not a state or local governmental pension plan, is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and has no predominant state or local governmental employer(either individually or collectively with other state or local governmental employers that provide pension through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. This Statement is effective for the Village's fiscal year ended April 30, 2017. Management has not determined what impact, if any, this statement will have on its financial statements.

In December 2015, the GASB issued Statement 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. This Statement is effective for the Village's fiscal year ended April 30, 2017. Management has not determined what impact, if any, this statement will have on its financial statements.

In December 2015, the GASB issued Statement 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement 14*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. This Statement is effective for the Village's fiscal year ended April 30, 2018. This statement will not have an impact on its financial statements.

In March 2016, the GASB issued Statement 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. This Statement is effective for the Village's fiscal year ended April 30, 2018. This statement will not have an impact on its financial statements.

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
Year Ended April 30, 2016

NOTE 10 - NEW GOVERNMENT ACCOUNTING STANDARDS (Continued)

In March 2016, the GASB issued Statement 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This Statement is effective for the Village's fiscal year ended April 30, 2018. Management has not determined what impact, if any, this statement will have on its financial statements.

In November 2016, the GASB issued Statement 83, *Certain Asset Retirement Obligations*. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations (AROs). This Statement is effective for the Village's fiscal year ended April 30, 2018. Management has not determined what impact, if any, this statement will have on its financial statements.

NOTE 11 – RESTATEMENT OF BEGINNING NET POSITION

During the year ended April 30, 2016, the Village adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. GASB 68 requires governments providing defined benefit pension to recognize their long-term obligation for pension benefits as a liability and to more comprehensively and comparably measure the annual costs of pension benefits. In accordance with GASB 68, the Village now reports a net pension liability on its financial statements, as well as deferred outflows of resources and deferred inflows of resources. In addition, the impact of implementing this statement resulted in a restatement of beginning net position to adjust for the pension benefit liability that would have been reported in previous years. The prior period adjustment includes deferred outflows of contributions made subsequent to the measurement date.

The Village's net position at May 1, 2015 has been restated as follows:

Governmental activities:	
Net position, May 1, 2015	\$ 9,713,134
Change in accounting principle, GASB Statement No. 68 - IMRF	(134,843)
Change in accounting principle, GASB Statement No. 68 - Police pension	<u>(12,433,116)</u>
Net position, May 1, 2015, as restated	<u>\$ (2,854,825)</u>
Business-type activities:	
Net position, May 1, 2015	\$ 2,985,947
Change in accounting principle, GASB Statement No. 68 - IMRF	<u>(49,497)</u>
Net position, May 1, 2015, as restated	<u>\$ 2,936,450</u>
Water fund:	
Net position, May 1, 2015	\$ 2,985,947
Change in accounting principle, GASB Statement No. 68 - IMRF	<u>(49,497)</u>
Net position, May 1, 2015, as restated	<u>\$ 2,936,450</u>

VILLAGE OF STICKNEY, ILLINOIS

GENERAL FUND
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property taxes	\$ 2,441,045	\$ 2,486,828	\$ 45,783
Intergovernmental revenues	1,675,000	1,792,830	117,830
Other taxes	1,230,000	1,114,997	(115,003)
Intergovernmental revenues	316,800	446,650	129,850
Fines and fees	710,800	648,232	(62,568)
Special events	25,000	16,311	(8,689)
Miscellaneous	220,155	325,510	105,355
Grant revenue	47,500	-	(47,500)
Investment income	300	914	614
Total revenues	<u>6,666,600</u>	<u>6,832,272</u>	<u>165,672</u>
Expenditures			
Executive & legislative	68,200	67,000	1,200
Administration	273,500	256,504	16,996
Professional services	189,600	205,681	(16,081)
Police department	2,435,800	2,415,077	20,723
Fire department	1,367,000	1,217,557	149,443
Public works	274,500	227,360	47,140
Public building & grounds	202,500	183,512	18,988
Miscellaneous	25,000	7,437	17,563
Sanitation department	660,000	613,670	46,330
Insurance	216,000	184,268	31,732
Auditing	20,500	20,500	-
Municipal retirement	362,000	289,352	72,648
Contributions to pension fund	612,000	624,450	(12,450)
Parks & recreation	85,000	40,583	44,417
Total expenditures	<u>6,791,600</u>	<u>6,352,951</u>	<u>438,649</u>
Net changes in fund balance	<u>\$ (125,000)</u>	479,321	<u>\$ 604,321</u>
Fund Balance at beginning of year		<u>1,966,664</u>	
Fund Balance at end of year		<u>\$ 2,445,985</u>	

See accompanying notes to required supplementary information.

VILLAGE OF STICKNEY, ILLINOIS
MOTOR FUEL TAX FUND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2016

	<u>Original and Final Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Motor fuel tax allotments	\$ 160,000	\$ 173,578	\$ 13,578
Grants	30,000	5,909	(24,091)
Investment income	<u>50</u>	<u>470</u>	<u>420</u>
Total revenues	<u>190,050</u>	<u>179,957</u>	<u>(10,093)</u>
Expenditures			
Maintenance - salt	80,000	67,461	12,539
Maintenance - engineering	2,000	1,250	750
Engineering	19,000	-	19,000
Construction	<u>149,000</u>	<u>9,214</u>	<u>139,786</u>
Total expenditures	<u>250,000</u>	<u>77,925</u>	<u>172,075</u>
Net change in fund balance	<u>\$ (59,950)</u>	102,032	<u>\$ 161,982</u>
Fund balance at beginning of year		<u>350,113</u>	
Fund balance at end of year		<u>\$ 452,145</u>	

See accompanying notes to required supplementary information.

VILLAGE OF STICKNEY, ILLINOIS
 EMERGENCY TELEPHONE SYSTEM FUND
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended April 30, 2016

	<u>Original and Final Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
911 surcharge	\$ 75,000	\$ 63,988	\$ (11,012)
Total revenues	<u>75,000</u>	<u>63,988</u>	<u>(11,012)</u>
Expenditures			
Maintenance of systems	<u>39,000</u>	<u>18,321</u>	<u>20,679</u>
Total expenditures	<u>39,000</u>	<u>18,321</u>	<u>20,679</u>
Other financing sources (uses)			
Transfers out	<u>36,000</u>	<u>-</u>	<u>36,000</u>
Total other financing sources (uses)	<u>36,000</u>	<u>-</u>	<u>36,000</u>
Net change in fund balance	<u>\$ -</u>	45,667	<u>\$ 45,667</u>
Fund balance at beginning of year		<u>(43,477)</u>	
Fund balance at end of year		<u>\$ 2,190</u>	

See accompanying notes to required supplementary information.

VILLAGE OF STICKNEY, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN ILLINOIS MUNICIPAL RETIREMENT FUND
 REGULAR PLAN NET PENSION LIABILITY AND RELATED RATIOS
 Last Ten Calendar Years

Calendar Year Ended December 31,	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 163,453
Interest	444,908
Changes of Benefit Terms	-
Differences between Expected and Actual Experience	(181,127)
Changes of Assumptions	9,144
Benefit Payments, Including Refunds of Member Contributions	<u>(211,812)</u>
Net Change in Total Pension Liability	224,566
Total Pension Liability - Beginning	<u>5,956,286</u>
Total Pension Liability - Ending (a)	<u>\$ 6,180,852</u>
Plan Fiduciary Net Position	
Employer Contributions	\$ 152,899
Employee Contributions	66,866
Pension Plan Net Investment Income	28,369
Benefit Payments and Refunds	(211,812)
Other	<u>(140,538)</u>
Net Change in Plan Fiduciary Net Position	(104,216)
Plan Fiduciary Net Position - Beginning	<u>5,669,876</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 5,565,660</u>
Village's Net Pension Liability (a-b)	<u>\$ 615,192</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.05%
Covered-employee Payroll	\$ 1,485,905
Plan's Net Pension Liability as a Percentage of Covered-employee Payroll	41.40%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years will be presented.

VILLAGE OF STICKNEY, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF ILLINOIS MUNICIPAL RETIREMENT FUND CONTRIBUTIONS
 Last Ten Fiscal Years

Regular Plan					
Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	\$ 152,900	\$ 152,899	\$ 1	\$ 1,485,905	10.29%

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2015 Contribution Rate *

Valuation Date:

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

Methods and Assumptions Used to Determine 2015 Contribution Rates:

Actuarial Cost Method: Aggregate entry age normal
 Amortization Method: Level percentage of payroll, closed
 Remaining Amortization Period: 28-year closed period until remaining period reaches 15 years (then 15-year rolling period)
 Asset Valuation Growth: 5-year smoothed market; 20% corridor
 Wage Growth: 4%
 Price Inflation: 3%, approximate; No explicit price inflation assumption is used in this valuation.
 Salary Increases: 4.40% to 16%, including inflation
 Investment Rate of Return: 7.50%
 Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.
 Mortality: RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes: There were no benefit changes during the year.

* Based on valuation assumptions used in the December 31, 2013, actuarial valuation; note two year lag between valuation and rate setting.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

VILLAGE OF STICKNEY, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 HEALTH INSURANCE PLAN FOR RETIRED EMPLOYEES
 SCHEDULE OF FUNDING PROGRESS
 APRIL 30, 2016

Fiscal Year	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Annual Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
2016	\$ -	\$ 2,479,199	\$ 2,479,199	N/A	N/A
2013	-	2,977,055	2,977,055	\$ 2,522,158	118%
2011	-	2,681,422	2,681,422	2,342,810	114%

Information presented for the years it is available for the OPEB plan.

VILLAGE OF STICKNEY, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN POLICE PENSION FUND NET PENSION LIABILITY

Last Ten Fiscal Years

	2016	2015
Total Pension Liability		
Service Cost	\$ 366,193	\$ 275,774
Interest	1,041,720	974,383
Changes of Benefit Terms	-	-
Differences between Expected and Actual Experience	(302,015)	166,009
Changes of Assumptions	1,761,637	2,852,173
Benefit Payments, Including Refunds of Member Contributions	(849,146)	(803,029)
Net Change in Total Pension Liability	2,018,389	3,465,310
Total Pension Liability - Beginning	17,786,581	14,321,271
Total Pension Liability - Ending (a)	<u>\$ 19,804,970</u>	<u>\$ 17,786,581</u>
Plan Fiduciary Net Position		
Employer Contributions	\$ 624,450	\$ 570,934
Employee Contributions	129,722	119,628
Net Investment Income	(236,482)	67,790
Benefit Payments and Refunds	(849,146)	(803,029)
Administrative Expense	(12,676)	(13,503)
Net Change in Plan Fiduciary Net Position	(344,132)	(58,180)
Plan Fiduciary Net Position - Beginning	5,080,318	5,138,498
Plan Fiduciary Net Position - Ending (b)	<u>\$ 4,736,186</u>	<u>\$ 5,080,318</u>
Village's Net Pension Liability (a-b)	\$ 15,068,784	\$ 12,706,263

* GASB 67 was implemented in fiscal year 2015. This schedule is being built prospectively. Information prior to the implementation of GASB 67 is not available. Ultimately, 10 years of data will be presented.

VILLAGE OF STICKNEY, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF POLICE PENSION FUND NET PENSION LIABILITY

Last Ten Fiscal Years

	2016	2015
Total Pension Liability	\$ 19,804,970	\$ 17,786,581
Plan fiduciary net position	4,736,186	5,080,318
Village's net pension liability (asset)	15,068,784	12,706,263
 Plan fiduciary net position as a percentage of the total pension liability	 23.91%	 28.56%
 Covered-employee payroll	 1,298,726	 1,250,271
 Plan's net pension liability (asset) as a percentage of covered-employee payroll	 <u>1160.27%</u>	 <u>1016.28%</u>

* GASB 67 was implemented in fiscal year 2015. This schedule is being built prospectively. Information prior to the implementation of GASB 67 is not available. Ultimately, 10 years of data will be presented.

VILLAGE OF STICKNEY, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF POLICE PENSION FUND CONTRIBUTIONS

April 30, 2016

	2016	2015
Actuarially determined contribution	570,135	556,450
Contributions in relation to the actuarially determined contribution	624,450	570,934
Contribution deficiency (excess)	(54,315)	(14,484)
 Covered-employee payroll	 1,298,726	 1,250,271
 Contributions as a percentage of covered-employee payroll	 <u>48.08%</u>	 <u>45.66%</u>

See accompanying notes to required supplementary information.

VILLAGE OF STICKNEY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF POLICE PENSION FUND
INVESTMENT RATE OF RETURN
April 30, 2016

	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return net of investment expense	-4.73%	1.37%

* GASB 67 was implemented in fiscal year 2015. This schedule is being built prospectively. Information prior to the implementation of GASB 67 is not available. Ultimately, 10 years of data will be presented.

VILLAGE OF STICKNEY, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended April 30, 2016

NOTE 1 - LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets:

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the following funds:

- General Fund
- Motor Fuel Tax Fund
- Emergency Telephone System Fund
- Police Seizure and Forfeiture Fund
- Water Fund
- Debt Service Fund
- Capital Projects Fund
- Family Day Fund
- Police Revenue Sharing Fund

All annual appropriations lapse at fiscal year end.

The appropriated budget is prepared by fund and department. The legal level of budgetary control (i.e., the level at which expenditures may not exceed appropriations) is the fund level.

The budget may be amended during the year by the Village's Board of Trustees. During the year, no supplementary appropriations were necessary.

VILLAGE OF STICKNEY, ILLINOIS

COMBINING NONMAJOR FUNDS BALANCE SHEET

April 30, 2016

	Police Seizure and <u>Forfeiture Fund</u>	Family <u>Day Fund</u>	Police Revenue Sharing <u>Fund</u>	<u>Total</u>
Assets				
Cash	\$ 19,983	\$ 13,102	\$ 2,580	\$ 35,665
Total assets	<u>\$ 19,983</u>	<u>\$ 13,102</u>	<u>\$ 2,580</u>	<u>\$ 35,665</u>
Fund balance				
Restricted for police activities	\$ 19,983	\$ -	\$ 2,580	\$ 22,563
Restricted for recreation	-	13,102	-	13,102
Unassigned	-	-	-	-
Total fund balance	<u>19,983</u>	<u>13,102</u>	<u>2,580</u>	<u>35,665</u>
Total Fund balance	<u>\$ 19,983</u>	<u>\$ 13,102</u>	<u>\$ 2,580</u>	<u>\$ 35,665</u>

VILLAGE OF STICKNEY, ILLINOIS

COMBINING NONMAJOR FUNDS STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Year Ended April 30, 2016

	Police Seizure and Forfeiture Fund	Family Day Fund	Police Revenue Sharing Fund	Total
Revenues				
Other revenue	\$ 3,850	\$ -	\$ -	\$ 3,850
Program revenue	<u>-</u>	<u>13,851</u>	<u>-</u>	<u>13,851</u>
Total revenues	<u>3,850</u>	<u>13,851</u>	<u>-</u>	<u>17,701</u>
Expenditures				
Program expenditures	<u>3,478</u>	<u>13,894</u>	<u>-</u>	<u>17,372</u>
Total expenditures	<u>3,478</u>	<u>13,894</u>	<u>-</u>	<u>17,372</u>
Excess (deficiency) of revenues over (under) expenditures	<u>372</u>	<u>(43)</u>	<u>-</u>	<u>329</u>
Fund balances at beginning of year	<u>19,611</u>	<u>13,145</u>	<u>2,580</u>	<u>35,336</u>
Fund balances at end of year	<u>\$ 19,983</u>	<u>\$ 13,102</u>	<u>\$ 2,580</u>	<u>\$ 35,665</u>

VILLAGE OF STICKNEY, ILLINOIS

GENERAL FUND
BALANCE SHEET
April 30, 2016

Assets		
Assets		
Cash	\$	1,414,423
Investments		588,942
Property taxes receivable		1,161,939
Other governmental receivables		446,820
Other receivables		160,219
IRMA deposits		<u>147,453</u>
Total assets	\$	<u>3,919,796</u>
Liabilities, deferred inflows of resources and fund balance		
Liabilities		
Accounts payable	\$	126,265
Accrued payroll		98,935
Other governmental payable		<u>16,487</u>
Total liabilities		<u>241,687</u>
Deferred inflows of resources		
Property tax		1,149,500
Unavailable revenue		<u>82,624</u>
Total deferred inflows of resources		<u>1,232,124</u>
Fund balance		
Unassigned		2,298,532
Nonspendable for IRMA		<u>147,453</u>
Total fund balance		<u>2,445,985</u>
Total liabilities, deferred inflows of resources and fund balance	\$	<u>3,919,796</u>

VILLAGE OF STICKNEY, ILLINOIS

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 Year Ended April 30, 2016

Revenues	
Property taxes	\$ 2,486,828
Intergovernmental revenues	1,792,830
Other taxes	1,114,997
Licenses and permits	446,650
Fines & fees	648,232
Special events	16,311
Miscellaneous	325,510
Investment income	<u>914</u>
Total revenues	<u>6,832,272</u>
Expenditures	
Executive & legislative	67,000
Administration	256,504
Professional services	205,681
Police department	2,415,077
Fire department	1,217,557
Public works	227,360
Public building & grounds	183,512
Miscellaneous	7,437
Sanitation department	613,670
Insurance	184,268
Auditing	20,500
Municipal retirement	289,352
Contributions to pension fund	624,450
Parks & recreation	<u>40,583</u>
Total expenditures	<u>6,352,951</u>
Excess (deficiency) of revenues over (under) expenditures	<u>479,321</u>
Fund balance at beginning of year	<u>1,966,664</u>
Fund balance at end of year	<u>\$ 2,445,985</u>

VILLAGE OF STICKNEY, ILLINOIS
 GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive <u>(Negative)</u>
Revenues			
Property taxes			
Property tax revenue	\$ 2,433,045	\$ 2,480,088	\$ 47,043
Road and bridge tax	8,000	6,740	(1,260)
Total property taxes	<u>2,441,045</u>	<u>2,486,828</u>	<u>45,783</u>
Intergovernmental revenues			
Personal property replacement tax	145,000	113,033	(31,967)
State income tax	805,000	972,409	167,409
State sales tax	725,000	707,388	(17,612)
Total intergovernmental revenues	<u>1,675,000</u>	<u>1,792,830</u>	<u>117,830</u>
Other taxes			
Race track - admission	5,000	1,634	(3,366)
Race track - parking tax	5,000	2,604	(2,396)
Utility tax - electricity	320,000	307,130	(12,870)
Utility tax - gas	500,000	421,348	(78,652)
Utility tax - telephone	200,000	173,240	(26,760)
Franchise tax	66,000	72,234	6,234
Real estate transfer tax	80,000	80,976	976
Video gaming tax	54,000	55,831	1,831
Total other taxes	<u>1,230,000</u>	<u>1,114,997</u>	<u>(115,003)</u>
Licenses and permits			
Licenses - business	90,000	93,736	3,736
Licenses - liquor	12,000	12,325	325
Licenses - cigarette	300	200	(100)
Licenses - tank	19,000	18,445	(555)
Licenses - truck	16,000	16,418	418
Licenses - animal	3,200	3,115	(85)
Licenses - amusement/machines	24,000	28,250	4,250
Permits - building	60,000	97,426	37,426
Licenses - auto	62,000	67,149	5,149
License - motorcycle	300	365	65
Gasoline tax	30,000	109,221	79,221
Total licenses and permits	<u>316,800</u>	<u>446,650</u>	<u>129,850</u>
Fines and fees			
Garbage disposal fees	270,000	262,480	(7,520)
Police fines	280,000	239,818	(40,182)
Real estate exempt fees	1,800	2,300	500
Ambulance fees	150,000	136,017	(13,983)
Entertainment fees	3,000	2,500	(500)
Real estate inspection fees	6,000	5,117	(883)
Total fines and fees	<u>710,800</u>	<u>648,232</u>	<u>(62,568)</u>
Special events			
Special events	10,000	7,211	(2,789)
Parks and recreation	15,000	9,100	(5,900)
Total special events	<u>25,000</u>	<u>16,311</u>	<u>(8,689)</u>

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
 GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive <u>(Negative)</u>
Miscellaneous			
Miscellaneous	\$ 52,155	\$ 145,362	\$ 93,207
Rental of tower	127,000	129,277	2,277
Reimbursement sidewalk program	6,000	8,645	2,645
Miscellaneous - police department	20,000	27,461	7,461
Miscellaneous - fire department	15,000	14,765	(235)
Total miscellaneous	<u>220,155</u>	<u>325,510</u>	<u>105,355</u>
Grant revenue	<u>47,500</u>	-	<u>(47,500)</u>
Investment income	<u>300</u>	<u>914</u>	<u>614</u>
Total revenues	<u>\$ 6,666,600</u>	<u>\$ 6,832,272</u>	<u>\$ 165,672</u>

VILLAGE OF STICKNEY, ILLINOIS
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Expenditures			
Executive & legislative			
Salary - village president	\$ 21,500	\$ 21,500	\$ -
Salary - trustees	43,200	42,000	1,200
Salary - liquor commissioner	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Total executive & legislative	<u>68,200</u>	<u>67,000</u>	<u>1,200</u>
Administration			
Salary - village clerk	17,000	17,000	-
Salary - treasurer/collector	46,500	46,500	-
Salary - office clerks	60,500	57,759	2,741
Salary - building inspector	31,500	31,443	57
Compensation electrical inspector	8,000	6,800	1,200
Compensation police and fire board of commissioners	6,000	6,000	-
Police and fire board of commissioners expenses	3,000	1,139	1,861
Postage, stationary, and supplies	11,000	7,508	3,492
Purchase of license supplies	7,000	5,434	1,566
Membership and expenses IL Municipal League	2,000	1,110	890
Printing and publishing	9,000	8,454	546
Cost of preparing and publishing financial statements	1,800	1,605	195
Employee Insurance	10,000	9,934	66
Computer maintenance and service	18,000	14,421	3,579
Zoning board of appeals	1,000	627	373
Revision and recodification of ordinances	3,000	3,264	(264)
Plumbing inspection service	3,200	3,200	-
WCMC membership and expenses	12,000	11,305	695
Expenses of IMRA safety committee	<u>23,000</u>	<u>23,001</u>	<u>(1)</u>
Total administration	<u>273,500</u>	<u>256,504</u>	<u>16,996</u>
Professional services			
Legal services	150,000	156,634	(6,634)
Village prosecutor	21,600	16,200	5,400
Other professional fees	6,000	18,135	(12,135)
Lobbyist	6,000	12,500	(6,500)
Engineering services	<u>6,000</u>	<u>2,212</u>	<u>3,788</u>
Total professional services	<u>189,600</u>	<u>205,681</u>	<u>(16,081)</u>
Police department			
Salary - police chief	105,000	104,986	14
Salary - deputy police	90,200	90,118	82
Salary - police sergeants	273,000	271,798	1,202
Salary - patrolmen	825,000	820,166	4,834
Salary - special police	150,000	166,750	(16,750)
Salary - radio clerks	260,000	255,155	4,845
Salary ordinance officer	33,750	33,750	-
Maintenance motor equipment	36,000	64,455	(28,455)

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Maintenance communications equipment	\$ 25,000	\$ 34,882	\$ (9,882)
Office supplies	5,500	3,825	1,675
Equipment/supplies	20,000	17,663	2,337
Motor fuel	70,000	38,566	31,434
Education and training	15,000	9,434	5,566
Employee insurance	320,000	318,462	1,538
Maintenance of gun range	3,000	2,675	325
Clothing allowance	16,850	16,850	-
Adjudication	54,400	50,844	3,556
Maintenance and services	25,000	12,515	12,485
Animal control contractual service	1,000	160	840
Adjudication hearing officer	8,400	8,400	-
Police officers holiday pay	90,000	84,923	5,077
Salary - police corporal	6,600	6,600	-
Salary - leads supervisor	2,100	2,100	-
Total police department	<u>2,435,800</u>	<u>2,415,077</u>	<u>20,723</u>
Fire department			
Salary - fire chief	70,000	70,000	-
Salary - firemen	985,000	917,059	67,941
Salary - Fire inspector	32,000	28,325	3,675
MABAS Division XI dues	10,000	10,000	-
Stationary, printing and office supplies	3,500	2,079	1,421
Motor fuel	20,000	9,926	10,074
Maintenance motor equipment	30,000	42,723	(12,723)
Maintenance communications equipment	12,000	14,753	(2,753)
Operating supplies	24,000	22,351	1,649
Education and training cost	12,000	5,457	6,543
Purchase of fire fighting clothing	28,000	19,683	8,317
Purchase of operating equipment	24,000	15,735	8,265
Emergency vehicle priority system	1,000	-	1,000
Medical examinations	12,000	12,113	(113)
Computer maintenance and services	12,000	6,327	5,673
Ambulance billing service	12,000	10,034	1,966
Breathing apparatus	8,000	8,519	(519)
Fire equipment grants	50,000	999	49,001
Employee insurance	21,500	21,474	26
Total fire department	<u>1,367,000</u>	<u>1,217,557</u>	<u>149,443</u>
Public works			
Salary - village supervisor	46,500	46,500	-
Office supplies	1,000	600	400
Material repairing streets	10,000	3,301	6,699
Material repairing alleys	2,000	-	2,000
Repairing public walks	7,000	1,059	5,941
Repairing public walks 50/50	20,000	21,470	(1,470)
Trimming and removal of trees	50,000	51,115	(1,115)
Maintenance motor equipment	28,000	18,793	9,207
Sweeper lease agreement	-	-	-

VILLAGE OF STICKNEY, ILLINOIS
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Computer maintenance	\$ 3,000	\$ 1,929	\$ 1,071
Traffic regulations and street signals	10,000	5,311	4,689
Material street snow removal	5,000	1,374	3,626
Maintenance supplies	4,000	3,658	342
Maintenance equipment	7,000	4,586	2,414
Energy maintenance, alley repair and street lights	75,000	63,582	11,418
Maintenance of private property	6,000	4,082	1,918
Total public works	<u>274,500</u>	<u>227,360</u>	<u>47,140</u>
Public building & grounds			
Salary - buildings and grounds	22,500	22,500	-
Heat/electric - village hall	9,000	3,023	5,977
Telephone services	66,000	62,961	3,039
Maintenance and repair of building	75,000	67,723	7,277
Supplies	8,000	6,555	1,445
Security and fire system	22,000	20,750	1,250
Total public building & grounds	<u>202,500</u>	<u>183,512</u>	<u>18,988</u>
Miscellaneous	<u>25,000</u>	<u>7,437</u>	<u>17,563</u>
Sanitation department			
Salaries - public works	400,000	371,840	28,160
Maintenance and repair of motorized equipment	70,000	90,293	(20,293)
Motor fuel	36,000	17,834	18,166
Materials and supplies	3,500	2,370	1,130
Disposal services	10,000	4,232	5,768
Uniforms	12,000	8,679	3,321
Employee insurance	108,000	107,042	958
Medical examinations	2,500	-	2,500
Containers and recycling bins	18,000	11,380	6,620
Total Sanitation Department	<u>660,000</u>	<u>613,670</u>	<u>46,330</u>
Insurance	<u>216,000</u>	<u>184,268</u>	<u>31,732</u>
Auditing	<u>20,500</u>	<u>20,500</u>	<u>-</u>
Municipal retirement			
Municipal retirement	150,000	103,720	46,280
FICA and Medicare tax	182,000	172,080	9,920
Unemployment tax	30,000	13,552	16,448
Total municipal retirement	<u>362,000</u>	<u>289,352</u>	<u>72,648</u>
Contributions to pension fund	<u>612,000</u>	<u>624,450</u>	<u>(12,450)</u>
Parks & recreation			
Salaries-parks & recreation	10,000	8,286	1,714

(Continued)

VILLAGE OF STICKNEY, ILLINOIS
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Stickney Recreation	\$ 25,000	\$ 7,138	\$ 17,862
Maintenance & supplies	25,000	10,320	14,680
Activities	12,000	6,839	5,161
Equipment	5,000	-	5,000
Stickney baseball association	2,500	2,500	-
Stickney golden agers	1,500	1,500	-
Stickney senior citizens	1,500	1,500	-
Stickney youth football	2,500	2,500	-
Total parks & recreation	<u>85,000</u>	<u>40,583</u>	<u>44,417</u>
Total expenditures and transfers	<u>\$ 6,791,600</u>	<u>\$ 6,352,951</u>	<u>\$ 438,649</u>

VILLAGE OF STICKNEY, ILLINOIS

SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 April 30, 2016

	Motor Fuel Tax Fund	Emergency Telephone System Fund	Police Seizure and Forfeiture Fund	Family Day Fund	Police Revenue Sharing Fund	Total
Assets						
Cash	\$ 20,805	\$ 5,108	\$ 19,983	\$ 13,102	\$ 2,580	\$ 61,578
Investments	428,806	-	-	-	-	428,806
Other governmental receivables	15,444	-	-	-	-	15,444
Other receivable	-	28,084	-	-	-	28,084
Total assets	\$ 465,055	\$ 33,192	\$ 19,983	\$ 13,102	\$ 2,580	\$ 533,912
Liabilities, deferred inflows of resources and fund balance						
Liabilities						
Accounts payable	\$ 12,910	\$ -	\$ -	\$ -	\$ -	\$ 12,910
Interfund payable	-	18,000	-	-	-	18,000
Total liabilities	12,910	18,000	-	-	-	30,910
Deferred inflows of resources						
Unavailable revenue	-	13,002	-	-	-	13,002
Total deferred inflows of resources	-	13,002	-	-	-	13,002
Fund balance						
Restricted for streets	452,145	-	-	-	-	452,145
Restricted for police activities	-	-	19,983	-	2,580	22,563
Restricted for recreation	-	-	-	13,102	-	13,102
Unassigned	-	2,190	-	-	-	2,190
Total fund balance	452,145	2,190	19,983	13,102	2,580	490,000
Total liabilities, deferred inflows of resources and fund balance	\$ 465,055	\$ 33,192	\$ 19,983	\$ 13,102	\$ 2,580	\$ 533,912

VILLAGE OF STICKNEY, ILLINOIS
 SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 Year Ended April 30, 2016

	Motor Fuel Tax Fund	Emergency Telephone System Fund	Police Seizure and Forfeiture Fund	Family Day Fund	Police Revenue Sharing Fund	Total
Revenues						
911 surcharge	\$ -	\$ 63,988	\$ -	\$ -	\$ -	\$ 63,988
Other revenue	-	-	3,850	-	-	3,850
Motor fuel tax allotments	173,578	-	-	-	-	173,578
Program revenue	-	-	-	13,851	-	13,851
Grant revenue	5,909	-	-	-	-	5,909
Investment income	470	-	-	-	-	470
Total revenues	<u>179,957</u>	<u>63,988</u>	<u>3,850</u>	<u>13,851</u>	<u>-</u>	<u>261,646</u>
Expenditures						
Program expenditures	<u>77,925</u>	<u>18,321</u>	<u>3,478</u>	<u>13,894</u>	<u>-</u>	<u>113,618</u>
Total expenditures	<u>77,925</u>	<u>18,321</u>	<u>3,478</u>	<u>13,894</u>	<u>-</u>	<u>113,618</u>
Excess (deficiency) of revenues over (under) expenditures	<u>102,032</u>	<u>45,667</u>	<u>372</u>	<u>(43)</u>	<u>-</u>	<u>148,028</u>
Net changes in fund balances	102,032	45,667	372	(43)	-	148,028
Fund balances at beginning of year	<u>350,113</u>	<u>(43,477)</u>	<u>19,611</u>	<u>13,145</u>	<u>2,580</u>	<u>341,972</u>
Fund balances at end of year	<u>\$ 452,145</u>	<u>\$ 2,190</u>	<u>\$ 19,983</u>	<u>\$ 13,102</u>	<u>\$ 2,580</u>	<u>\$ 490,000</u>

VILLAGE OF STICKNEY, ILLINOIS
MOTOR FUEL TAX FUND
BALANCE SHEET
April 30, 2016

Assets	
Cash	\$ 20,805
Investments	428,806
Other governmental receivable	<u>15,444</u>
Total assets	<u>\$ 465,055</u>
Liabilities	
Accounts payable	<u>\$ 12,910</u>
Total liabilities	<u>12,910</u>
Fund balance	
Restricted for streets	<u>452,145</u>
Total fund balance	<u>452,145</u>
Total liabilities and fund balance	<u>\$ 465,055</u>

VILLAGE OF STICKNEY, ILLINOIS

MOTOR FUEL TAX FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Motor fuel tax allotments	\$ 160,000	\$ 173,578	\$ 13,578
Grant revenue	30,000	5,909	(24,091)
Investment income	<u>50</u>	<u>470</u>	<u>420</u>
 Total revenues	 <u>190,050</u>	 <u>179,957</u>	 <u>(10,093)</u>
 Expenditures			
Maintenance - salt	80,000	67,461	12,539
Maintenance - engineering	2,000	1,250	750
Engineering	19,000	-	19,000
Construction	<u>149,000</u>	<u>9,214</u>	<u>139,786</u>
 Total expenditures	 <u>250,000</u>	 <u>77,925</u>	 <u>172,075</u>
 Net change in fund balance	 <u>\$ (59,950)</u>	 102,032	 <u>\$ 161,982</u>
 Fund balance at beginning of year		 <u>350,113</u>	
 Fund balance at end of year		 <u>\$ 452,145</u>	

VILLAGE OF STICKNEY, ILLINOIS
EMERGENCY TELEPHONE SYSTEM FUND
BALANCE SHEET
April 30, 2016

Assets	
Cash	\$ 5,108
Other receivable	<u>28,084</u>
Total assets	<u>\$ 33,192</u>
Liabilities	
Accounts payable	\$ -
Interfund payable	<u>18,000</u>
Total liabilities	<u>18,000</u>
Deferred inflows of resources	
Unavailable revenue	<u>13,002</u>
Total deferred inflows of resources	<u>13,002</u>
Fund balance	
Unassigned	<u>2,190</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 33,192</u>

VILLAGE OF STICKNEY, ILLINOIS

EMERGENCY TELEPHONE SYSTEM FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
911 surcharge	\$ 75,000	\$ 63,988	\$ (11,012)
Total revenues	<u>75,000</u>	<u>63,988</u>	<u>(11,012)</u>
Expenditures			
Maintenance of systems	<u>39,000</u>	<u>18,321</u>	<u>20,679</u>
Total expenditures	<u>39,000</u>	<u>18,321</u>	<u>20,679</u>
Other financing sources (uses)			
Transfers out	<u>36,000</u>	<u>-</u>	<u>36,000</u>
Total other financing sources (uses)	<u>36,000</u>	<u>-</u>	<u>36,000</u>
Net change in fund balance	<u>\$ -</u>	<u>45,667</u>	<u>\$ 45,667</u>
Fund balance at beginning of year		<u>(43,477)</u>	
Fund balance at end of year		<u>\$ 2,190</u>	

VILLAGE OF STICKNEY, ILLINOIS
POLICE SEIZURE AND FORFEITURE FUND
BALANCE SHEET
April 30, 2016

Assets	
Cash	\$ <u>19,983</u>
Total assets	\$ <u><u>19,983</u></u>
Fund balance	
Restricted for police activities	\$ <u>19,983</u>
Total fund balance	\$ <u><u>19,983</u></u>

VILLAGE OF STICKNEY, ILLINOIS

POLICE SEIZURE AND FORFEITURE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Director of Illinois state	\$ 1,950	\$ -	\$ (1,950)
Seizures	<u>5,550</u>	<u>3,850</u>	<u>(1,700)</u>
Total revenues	<u>7,500</u>	<u>3,850</u>	<u>(3,650)</u>
Expenditures			
Returned seizures	3,000	-	3,000
Equipment	7,500	3,478	4,022
Supplies	1,000	-	1,000
Investigation expenses	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total expenditures	<u>12,500</u>	<u>3,478</u>	<u>9,022</u>
Net change in fund balance	<u>\$ (5,000)</u>	372	<u>\$ 5,372</u>
Fund balance at beginning of year		<u>19,611</u>	
Fund balance at end of year		<u>\$ 19,983</u>	

FAMILY DAY FUND
BALANCE SHEET
April 30, 2016

Assets	
Cash	\$ <u>13,102</u>
Total assets	\$ <u><u>13,102</u></u>
Fund balance	
Restricted for recreation	\$ <u>13,102</u>
Total fund balance	\$ <u><u>13,102</u></u>

VILLAGE OF STICKNEY, ILLINOIS

FAMILY DAY FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Program revenues	\$ 15,000	\$ 13,851	\$ (1,149)
Total revenues	<u>15,000</u>	<u>13,851</u>	<u>(1,149)</u>
Expenditures			
Program expenditures	<u>20,000</u>	<u>13,894</u>	<u>6,106</u>
Total expenditures	<u>20,000</u>	<u>13,894</u>	<u>6,106</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,000)</u>	<u>(43)</u>	<u>(7,255)</u>
Net change in fund balance	<u>\$ (5,000)</u>	<u>(43)</u>	<u>\$ (7,255)</u>
Fund balance at beginning of year		<u>13,145</u>	
Fund balance at end of year		<u>\$ 13,102</u>	

VILLAGE OF STICKNEY, ILLINOIS
POLICE REVENUE SHARING FUND
BALANCE SHEET
April 30, 2016

Assets	
Cash	\$ <u>2,580</u>
Total assets	\$ <u><u>2,580</u></u>
Fund balance	
Restricted for police activities	\$ <u>2,580</u>
Total fund balance	\$ <u><u>2,580</u></u>

VILLAGE OF STICKNEY, ILLINOIS

POLICE REVENUE SHARING FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Program revenues	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Program expenditures	<u>2,580</u>	<u>-</u>	<u>2,580</u>
Total expenditures	<u>2,580</u>	<u>-</u>	<u>2,580</u>
Net change in fund balance	<u>\$ (2,580)</u>	<u>-</u>	<u>\$ 2,580</u>
Fund balance at beginning of year		<u>2,580</u>	
Fund balance at end of year		<u>\$ 2,580</u>	

VILLAGE OF STICKNEY, ILLINOIS

DEBT SERVICE FUND
BALANCE SHEET
Year Ended April 30, 2016

Assets	
Cash	\$ 393,136
Property taxes receivable	<u>374,716</u>
Total assets	<u>\$ 767,852</u>
Deferred inflows of resources and fund balance	
Deferred inflows of resources	
Property tax	<u>\$ 370,558</u>
Total deferred inflows of resources	<u>370,558</u>
Fund balance	
Restricted for debt service	<u>397,294</u>
Total fund balance	<u>397,294</u>
Total deferred inflows of resources and fund balance	<u>\$ 767,852</u>

VILLAGE OF STICKNEY, ILLINOIS

DEBT SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Property taxes	\$ 776,368	\$ 826,802	\$ 50,434
Interest income	-	26	26
Total revenues	<u>776,368</u>	<u>826,828</u>	<u>50,460</u>
Expenditures			
Principal	445,000	435,000	10,000
Interest	331,368	334,280	(2,912)
Total expenditures	<u>776,368</u>	<u>769,280</u>	<u>7,088</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>57,548</u>	<u>57,548</u>
Net change in fund balance	<u>\$ -</u>	<u>57,548</u>	<u>\$ 57,548</u>
Fund balance at beginning of year		<u>339,746</u>	
Fund balance at end of year		<u><u>\$ 397,294</u></u>	

VILLAGE OF STICKNEY, ILLINOIS

CAPITAL PROJECTS FUND
BALANCE SHEET
April 30, 2016

Assets	
Cash	\$ 141,917
Investments	405,631
Other governmental receivables	-
Interfund receivable	<u>18,000</u>
Total assets	<u>\$ 565,548</u>
Deferred inflows of resources and fund balance	
Deferred inflows of resources	
Unavailable revenue	<u>\$ 994</u>
Total deferred inflows of resources	<u>994</u>
Fund balance	
Restricted for capital projects	<u>564,554</u>
Total fund balance	<u>564,554</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 565,548</u>

VILLAGE OF STICKNEY, ILLINOIS

CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Grants	\$ 303,450	\$ 152,453	\$ (150,997)
Investment income	<u>50</u>	<u>473</u>	<u>423</u>
Total revenues	<u>303,500</u>	<u>152,926</u>	<u>(150,574)</u>
Expenditures			
Equipment and other capital expenditures	<u>379,500</u>	<u>128,468</u>	<u>251,032</u>
Total expenditures	<u>379,500</u>	<u>128,468</u>	<u>251,032</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(76,000)</u>	<u>24,458</u>	<u>100,458</u>
Other financing sources (uses)			
Transfers in	<u>36,000</u>	<u>-</u>	<u>(36,000)</u>
Total other financing sources (uses)	<u>36,000</u>	<u>-</u>	<u>(36,000)</u>
Net change in fund balance	<u>\$ (40,000)</u>	<u>24,458</u>	<u>\$ 64,458</u>
Fund balance at beginning of year		<u>540,096</u>	
Fund balance at end of year		<u>\$ 564,554</u>	

VILLAGE OF STICKNEY, ILLINOIS

WATER FUND
 SCHEDULE OF NET POSITION
 April 30, 2016

Assets	
Current assets	
Cash and cash equivalents	\$ 1,470,783
Accounts receivable, (net of allowances)	<u>459,397</u>
Total current assets	<u>1,930,180</u>
Noncurrent assets	
Capital assets not being depreciated	25,575
Capital assets being depreciated, net	<u>1,624,401</u>
Total noncurrent assets	<u>1,649,976</u>
Total assets	<u>3,580,156</u>
Deferred Outflows of Resources	
Deferred IMRF Outflows	<u>77,733</u>
Total Deferred Outflows of Resources	<u>77,733</u>
Liabilities and net position	
Current liabilities	
Accounts payable	196,141
Accrued payroll	<u>3,766</u>
Total current liabilities	<u>199,907</u>
Noncurrent liabilities	
Net pension liability - IMRF	<u>129,227</u>
Total noncurrent liabilities	<u>129,227</u>
Total liabilities	<u>329,134</u>
Deferred Inflows of Resources	
Deferred IMRF Inflows	<u>31,066</u>
Total Deferred Inflows of Resources	<u>31,066</u>
Net position	
Net investment in capital assets	1,649,976
Unrestricted	<u>1,647,713</u>
Total net position	<u>\$ 3,297,689</u>

VILLAGE OF STICKNEY, ILLINOIS

WATER FUND
 SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
 IN NET POSITION - BUDGET (BUDGET BASIS) AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive <u>(Negative)</u>
Operating revenues			
Charges for services			
Water - residential	\$ 1,065,000	\$ 947,848	\$ (117,152)
Water - commercial	355,000	288,362	(66,638)
Water - industrial	2,130,000	2,326,173	196,173
Miscellaneous	19,800	17,923	(1,877)
Recycling revenue	<u>2,000</u>	<u>1,812</u>	<u>(188)</u>
Total operating revenues	<u>3,571,800</u>	<u>3,582,118</u>	<u>10,318</u>
Operating expenses			
Purchase of water	2,400,000	2,101,182	298,818
Electric power reservoir	40,000	29,482	10,518
Meters and connections	30,000	4,562	25,438
Materials and supplies	10,000	1,655	8,345
Contractual rep system	140,000	96,302	43,698
Salary - supervisor	37,100	37,020	80
Computer upgrade	5,000	-	5,000
Salary - water department	188,000	183,298	4,702
Salary - treasurer/collector	48,500	48,500	-
Salary - office clerk	102,200	98,103	4,097
Office supplies, postage	6,000	4,509	1,491
Telephone services	12,000	12,000	-
Maintenance - office equipment	3,000	1,661	1,339
Maintenance - pump station	80,000	65,580	14,420
Auditing services	12,000	12,000	-
Operating equipment	1,000	905	95
Motor fuel costs	4,200	2,266	1,934
Maintenance - motor equipment	5,000	-	5,000
Insurance	54,000	45,000	9,000
Heating fuel	3,000	1,632	1,368
Rental - sanitary district	-	-	-
Premium life, health, accident insurance	95,000	94,230	770
IL Municipal Retirement	48,000	80,080	(32,080)
Contingencies	5,000	913	4,087
Fire hydrants	20,000	39,333	(19,333)
Maintenance - computer	5,000	3,600	1,400
Lead treat/water sample	9,000	4,153	4,847
Radio service contract	-	-	-
Unemployment tax	3,000	899	2,101
FICA/Medicare tax	36,000	34,772	1,228
Sewer cleaning	40,000	2,138	37,862
Water main repairs	30,000	-	30,000
Sewer repairs/maintenance	70,000	104,180	(34,180)
Depreciation	<u>115,000</u>	<u>111,645</u>	<u>3,355</u>
Total operating expenses	<u>3,657,000</u>	<u>3,221,600</u>	<u>435,400</u>

(Continued)

VILLAGE OF STICKNEY, ILLINOIS

WATER FUND
 SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
 IN NET POSITION - BUDGET (BUDGET BASIS) AND ACTUAL
 Year Ended April 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Operating income (loss)	\$ (85,200)	\$ 360,518	\$ 445,718
Nonoperating revenues (expenses)			
Investment income	<u>200</u>	<u>721</u>	<u>521</u>
Total nonoperating revenues (expenses)	<u>200</u>	<u>721</u>	<u>521</u>
Net income (loss)	<u>\$ (85,000)</u>	361,239	<u>\$ 446,239</u>
Net position at beginning of year, as restated		<u>2,936,450</u>	
Net position at end of year		<u>\$ 3,297,689</u>	

(Continued)

VILLAGE OF STICKNEY, ILLINOIS

WATER FUND
 SCHEDULE OF CASH FLOWS
 Year Ended April 30, 2016

	<u>Water Fund</u>
Increase (decrease) in cash and cash equivalents	
Cash flows from operating activities	
Cash received from customers	\$ 3,512,151
Cash payments to suppliers for goods and services	(2,075,115)
Cash payments to employees for services	<u>(995,679)</u>
Net cash provided (used) by operating activities	<u>441,357</u>
Cash flows from investing activities	
Interest and dividends on investments	<u>721</u>
Net cash provided (used) by investing activities	<u>721</u>
Net increase (decrease) in cash and cash equivalents	442,078
Cash and cash equivalents at beginning of year	<u>1,028,705</u>
Cash and cash equivalents at end of year	<u>\$ 1,470,783</u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income (loss)	<u>\$ 360,518</u>
Adjustment to reconcile operating income to net cash provided by operating activities	
Depreciation	111,645
Changes in assets and liabilities	
(Increase) decrease in accounts receivable	(69,967)
(Increase) decrease in deferred outflows	(67,067)
Increase (decrease) in payables	26,067
Increase (decrease) in accrued payroll	(19,969)
Increase (decrease) in NPL	69,064
Increase (decrease) in deferred inflows	<u>31,066</u>
Total adjustments	<u>80,839</u>
Net cash provided by operating activities	<u>\$ 441,357</u>
