

Village of Crestwood, Illinois
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
APRIL 30, 2019

Prepared By:

HEARNE & ASSOCIATES, P.C.
Certified Public Accountants &
Business Consultants

Village of Crestwood, Illinois

Table of Contents

	<u>Page(s)</u>
Independent Auditors' Report	1-2
Management's Discussion and Analysis	3-11
Basic Financial Statements:	
Government-Wide Financial Statements	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements:	
Governmental Funds	
Balance Sheet	14
Reconciliation of the Total Fund Balance of Governmental Funds to Net Position of Governmental Activities	15
Statement of Revenues, Expenditures and Changes in Fund Balances	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Proprietary Fund	
Statement of Net Position	18
Statement of Revenues, Expenses and Changes in Net Position	19
Statement of Cash Flows	20
Fiduciary Funds	
Statement of Fiduciary Net Position	21
Statement of Changes in Fiduciary Net Position	22
Notes to the Financial Statements	23-56
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	57-58
Schedule of Revenues - Budget and Actual - General Fund	59
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - 135th and Cicero Tax Increment Financing Fund	60
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Route 83 and Cicero Tax Increment Financing Fund	61
Schedule of Employer Contributions - Police Pension Fund	62
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios - Police Pension Fund	63-64
Schedule of Investment Returns - Police Pension Fund	65

Village of Crestwood, Illinois

Table of Contents

	<u>Page(s)</u>
Schedule of Employer Contributions - Fire Pension Fund	66
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios - Fire Pension Fund	67-68
Schedule of Investment Returns - Fire Pension Fund	69
Schedule of Employer Contributions - Illinois Municipal Retirement Fund	70
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios - Illinois Municipal Retirement Fund	71-72
Notes to the Required Supplementary Information	73-74
Combining and Individual Fund Statements and Schedules	
Combining Balance Sheet - Nonmajor Governmental Funds	75
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds	76
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Recreation Fund	77
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Motor Fuel Tax Fund	78
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund	79
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Route 83 Debt Service Fund	80
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Water and Sewer Fund	81
Supplementary Information	
Independent Auditor's Report on Compliance with State of Illinois Public Act 85-1142	82
Schedule of Assessed Valuations, Tax Rates, Tax Extension, Tax Collections and Taxes Receivable	83
Statistical Section	
Schedule of Direct and Overlapping Debt	84



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Independent Auditors' Report

Honorable Mayor and
Members of the Board of Trustees
Village of Crestwood, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Crestwood, Illinois as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Crestwood, Illinois, as of April 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

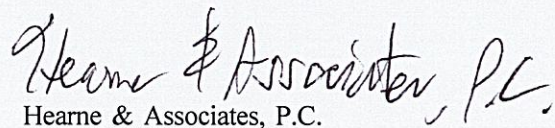
Other Information

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

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

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance thereon.

November 8, 2019
Mokena, IL


Hearne & Associates, P.C.
Certified Public Accountants

Village of Crestwood, Illinois
Management's Discussion and Analysis
April 30, 2019

The Village of Crestwood's Management Discussion and Analysis (MD&A) is designed to (1) focus on significant accounting issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position and its ability to address the next and subsequent year challenges, (4) identify any material deviations from the budget, and (5) identify individual fund issues or concerns.

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, please read it in conjunction with the Village's financial statements (beginning on page 12).

Financial Highlights

- **Net Position** The Village's total Net Position at fiscal year-end was \$49.4 million, an increase of \$4 million (8.8%) during the current fiscal year. The Net Position for governmental activities at fiscal year-end was \$30.1 million, an increase of \$3.9 million during the current fiscal year. The Net Position for business-type activities was \$19.3 million, an increase of \$0.1 million. The increase in net position is mainly attributable to a net \$6.5 million investment in infrastructure reduced by an increase to the net amount of Long-Term Debt of \$2.5 million.
- **General Fund summary** The Village's General Fund reported an increase of \$5.6 million in fund balance for the current fiscal year which continues the increase from the prior year of \$3.3 million. The General Fund's cash and investment position decreased to \$10.4 million from last year's \$10.8 million. The Village's continued focus with the increased fund balance and cash position will be infrastructure improvements, debt reduction and rebate of surplus funds to its residents.
- **Budget summary** The Village's General Fund actual revenues were less than budgeted amounts by \$0.3 million while actual expenditures were less than budgeted amounts by \$1.3 million. Revenues were less than budgeted due mainly to decreases in state income tax, grant income and police fines offset by increases in sales tax and miscellaneous revenues. The \$0.4 million decrease in income tax was a result of transferring that amount to service the Route 83 Debt Service Fund. Expenditures were less than budget due to a \$0.9 million delay in construction and remodeling of Village properties, less current expenditures of \$0.6 million offset with increased debt service of \$0.3 million.
- **Debt outstanding** The balance of TIF bond debt as of April 30, 2019 is \$37.4 million (plus the unamortized bond premium of \$3.1 million). Additionally, the Village has a general obligation (alternate revenue) bond outstanding for \$7.8 million (plus the unamortized bond premium of \$0.5 million). The open line of credit balance at April 30, 2019 is \$0.
- **Fiduciary Fund summary** The Village's Police and Fire Pension Funds reported increases of \$320,203 and \$27,520, respectively in fund balance for the current fiscal year. The most recent actuarial valuation at April 30, 2019 reported a 78.16% and 120.09% ratio of the net pension as a percentage of the total pension liability for the Police and Fire Pension Funds, respectively.

Using This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 12 and 13) provide information about the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements start on page 14. For governmental activities, these statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the

Village of Crestwood, Illinois
Management's Discussion and Analysis
April 30, 2019

government-wide statements by providing information about the Village's most significant funds. The remaining statements provide financial information about activities for which the Village acts solely as a trustee or agent for the benefit of those outside of government.

Government -Wide

The government-wide financial statements (pages 12 and 13) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns that add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (page 13) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the Village's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities.

The governmental activities reflect the Village's basic services, including general administration, public safety, street and bridge maintenance, sanitation and recreation. Property taxes and shared state tax distributions 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 operation, including depreciation.

Fund Financial Statements

Traditional users of government financial statements will find the Fund Financial Statements presentation more familiar (pages 14-22 and 57-61). 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 Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance therewith. All of the funds of the Village can be divided into three categories: governmental, proprietary and fiduciary.

- *Governmental funds* – The governmental major fund presentation is presented on a sources and uses of liquid resources basis. The financial plan (the budget) is typically developed in this manner. The flow and availability of liquid assets is a clear and appropriate focus of any analysis of government. The focus of the governmental funds is narrower than that of the government-wide financial statements. The Village maintains eight individual governmental funds. 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 General Fund, 135th and Cicero TIF Fund, Route 83 and Cicero TIF Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of Combining and Individual Fund Statements and Schedules beginning on page 75 of this report.
- *Proprietary fund* – The Village maintains one proprietary fund, i.e., the Water and Sewer Fund. This fund is used to report the same functions presented in business-type activities in the government-wide financial statements. The Water and Sewer Fund is considered a major fund of the Village.
- *Fiduciary funds* – The Village maintains two fiduciary funds, (i.e., the Police Pension Fund and the Fire Pension Fund). While these funds represent trust responsibilities of the government, these

Village of Crestwood, Illinois
Management's Discussion and Analysis
April 30, 2019

assets are restricted in purpose, and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Basic Financial Statements. The Notes to the Financial Statements begin on page 23.

Other Information

In addition to the Basic Financial Statements and accompanying notes, this report also presents certain required supplementary information beginning on page 57. This includes the funding progress for the Police Pension Fund, Fire Pension Fund, Illinois Municipal Retirement Fund and budgetary information for the Village's major governmental funds. This report also includes combining and individual fund statements and schedules beginning on page 75. This includes information for the non-major governmental funds and the proprietary fund.

Financial Analysis of the Village as a Whole

NET POSITION: The following table reflects the condensed Statement of Net Position:

Table 1
CONDENSED STATEMENT OF NET POSITION
(in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Current & Other Assets	\$19.1	\$18.8	\$ 1.8	\$ 2.2	\$20.9	\$21.0
Capital Assets	63.2	57.3	17.9	17.3	81.1	74.6
Deferred Outflows	1.2	.9	-	-	1.2	.9
Total Assets	83.5	77.0	19.7	19.5	103.2	96.5
Long-term Liabilities	47.3	44.8	0.0	0.0	47.3	44.8
Other Liabilities	4.2	4.1	0.4	0.3	4.6	4.4
Deferred Outflows	1.9	1.9	0.0	0.0	1.9	1.9
Total Liabilities	53.4	50.8	0.4	0.3	53.8	51.1
Net Position						
Net Investment in Capital Assets	46.2	46.2	17.9	17.3	64.1	63.5
Restricted	2.3	3.9	0.0	0.0	2.3	3.9
Unrestricted	-18.4	-23.9	1.4	1.9	-17.0	-22.0
Total Net Position	\$30.1	\$ 26.2	\$19.3	\$19.2	\$49.4	\$45.4

For more detailed information, see the Statement of Net Position.

Normal Impacts – Net Position

Six basic (normal) transactions will affect the comparability of the Statement of Net Position summary presentation:

- **Net Results of Activities** – Impacts (increases/decreases) current assets and unrestricted Net Position.

Village of Crestwood, Illinois
Management's Discussion and Analysis
April 30, 2019

- ***Borrowing for Capital*** – Increases current assets and long-term debt.
- ***Spending Borrowed Proceeds on New Capital*** – Reduces current assets and increases capital assets. Also, an increase in invested capital assets and an increase in related net debt will not change the invested capital assets, net of related debt.
- ***Spending of Non-borrowed Current Assets on New Capital*** – Reduces current assets and increases capital assets. Additionally, it reduces unrestricted Net Position and increases invested in capital assets, net of related debt.
- ***Principal Payment on Debt*** – Reduces current assets and reduces long-term debt. In addition, it reduces unrestricted Net Position and increases invested in capital assets, net of related debt.
- ***Reduction of Capital Assets through Depreciation*** – reduces capital assets and net investment in capital assets

Current Year Impacts – Net Position

The Village's combined Net Position increased \$4 million from \$45.4 million to \$49.4 million. Net Position of the Village's governmental activities increased \$3.9 million to \$30.1 million. Net Position of the Village's business-type activities increased by \$0.1 million to \$19.3 million. The Village's unrestricted Net Position for governmental activities, the part of Net Position that can be used to finance daily operations, increased by \$5.5 million. The Village's unrestricted Net Position of the business-type activities, available to finance the continuing operation of the Water and Sewer Fund, decreased by \$0.5 million.

Major governmental capital activity for the year included the Route 83 site development in the amount of \$6,650,582. Other capital expenditures and additions totaled \$1,408,472.

ACTIVITIES: The following table reflects the condensed Statement of Activities:

Table 2
 CONDENSED STATEMENT OF ACTIVITIES
 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
REVENUES						
Program revenues:						
Charges for services	\$ 4.7	\$ 4.8	\$ 3.8	\$ 3.7	\$ 8.5	\$ 8.5
Operating grants	.1	.4	-	-	.1	.4
Capital grants	-	-	-	-	-	-
General revenues						
Property taxes	3.3	3.2	-	-	3.3	3.2
Sales tax	8.1	7.8	-	-	8.5	7.8
Other	3.5	3.3	-	-	3.1	3.3
Total revenues	19.7	19.5	3.8	3.7	23.5	23.2

Village of Crestwood, Illinois
Management's Discussion and Analysis
April 30, 2019

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
EXPENSES						
General government	\$ 4.9	\$ 4.7	\$ -	\$ -	\$4.9	\$ 4.7
Public safety	5.3	4.7	-	-	5.3	4.7
Street and bridge	1.5	1.3	-	-	1.5	1.3
Sanitation	0.9	0.8	-	-	0.9	0.8
Recreation	1.3	1.2	-	-	1.3	1.2
Tax increment financing costs	0.2	0.2	-	-	0.2	0.2
Water and Sewer	-	-	3.7	3.5	3.7	3.5
Interest on long-term debt	1.7	1.5	-	-	1.7	1.5
Total expenses	15.8	14.4	3.7	3.5	19.5	17.9
Changes in Net Position	3.9	5.1	0.1	0.2	4.0	5.3
Net Position, May 1	26.2	21.1	19.2	19.0	45.4	40.1
Net Position, April 30	\$30.1	\$ 26.2	\$19.3	\$19.2	\$49.4	\$45.4

For more detailed information, see the Statement of Activities.

Normal Impacts – Net Position

Six basic (normal) transactions will affect the comparability of the Statement of Net Position summary presentation :

Revenues

- ***Economic Condition*** – Reflects a declining, stable or growing economic environment and has a substantial impact on property, state sales and state income taxes.
- ***Increase/Decrease in Village Approved Rates*** – While certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (property taxes, water, sewer, capital improvements fees, etc.).
- ***Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring)*** – Certain recurring revenues (state shared revenues, etc) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.
- ***Market Impacts on Investment Income*** – The Village's investment portfolio is managed using similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses

- ***Changes in Programs*** – Within the functional expense categories (General Government, Public Safety, Street and Bridge, Sanitation, Recreation, etc.) individual programs may be added, deleted or expanded to meet changing community needs.
- ***Changes in Authorized Personnel*** – Changes in service demand may cause the Village Board to increase/decrease authorized staffing.

Village of Crestwood, Illinois
Management's Discussion and Analysis
April 30, 2019

- **Salary Increases (annual adjustments and Step Increases)** – The ability to attract and retain human and intellectual resources requires the Village to strive to maintain a competitive salary range position in the marketplace.
- **Inflation** – While overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity-specific increases.

Current Year Impacts – Net Position (Governmental Funds)

For the current year, revenues from Governmental Activities totaled \$19.7 million compared to \$19.5 million from the prior year. There were no significant increases or decreases in specific revenues from the prior year.

For the current fiscal year, expenditures from Governmental Activities totaled \$15.8 million compared to \$14.4 million from the prior year. The main reasons were personnel costs for all departments increased by \$0.8 million and interest costs increased by \$0.2 million.

Current Year Impacts – Net Position (Proprietary Fund)

For the current fiscal year, revenues from Business-type Activities totaled \$3.8 million, which is an increase of \$0.1 million from the prior year. This was mainly due to increased water rates and capital improvement charges.

For the current fiscal year, expenses from Business-type Activities totaled \$3.7 million compared to \$3.5 million from the prior year. This is due to increased water costs from the Village of Alsip and indirectly the City of Chicago.

Financial Analysis of the Village's Funds

The Governmental Funds, as presented on pages 14-17, reported a combined total fund balance of \$16.5 million, which is a \$0.6 million increase from the prior year balance of \$15.9 million. This increase is mainly attributable to the items mentioned in the previous section on “current year impacts – Net Position (governmental funds)” and capital activity for the Route 83 site development. The total fund balance of \$16.5 million is comprised of the following components:

- **Nonspendable Fund Balance** of \$0.6 million represents prepaid expenditures.
- **Restricted Fund Balance** of \$4.0 million represents the portion of fund balance that is subject to external enforceable legal restrictions; \$1 million for debt service, \$1.6 million for TIF redevelopment and \$1.4 million for motor fuel tax projects.
- **Unassigned Fund Balance** of \$11.9 million that represents available expendable financial resources in the General Fund after funds have been identified in the above categories.

The Village's General Fund reported an increase of \$5.6 million in fund balance for the current fiscal year. In addition, the fund balance for the General Fund at fiscal-year end was \$17.6 million.

During the current fiscal year, there was no change in appropriations between the original and final budget.

General Fund actual revenues were \$0.3 million less than budgeted amounts and actual expenditures were \$1.3 million lower than budgeted amounts resulting in a net positive to the budget of \$1 million.

Village of Crestwood, Illinois
Management's Discussion and Analysis
April 30, 2019

The tax increment financing 135th and Cicero TIF Fund had \$2.9 million of revenue and \$2.8 million of expenditures for the fiscal year. Additionally, this fund transferred \$0.2 million to the Rt. 83 TIF fund.

The Rt. 83 TIF Fund had \$0.1 million in revenue, \$5.9 million in expenditures (mainly for capital outlays), and received \$0.2 million in transfers from the 135th Street TIF fund.

The Water and Sewer Fund had revenue of \$3.8 million and expenditures of \$3.7 million. Although the Village continues to collect the capital improvements charge to users and there was an increase in water rates, the cost of water from the City of Chicago and Village of Alsip also increased. However, as noted in the Statement of Cash Flows on page 20, the Village had a positive cash flow from operating activities of \$1,580,364.

Capital Assets

At the end of fiscal year 2019, the Village had \$81.1 million (net of depreciation) invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, road, and water and sewer lines. This amount represents a net increase (including additions, deductions and current depreciation) of \$6.5 million, or 9 percent, over last year. Please refer to Note D of the report for the capital asset activity for the year. In the General Fund the Village had budgeted approximately \$2.8 million for capital expenditures in fiscal year 2019, predominantly for Building and Grounds expenditures. Actual expenditures for Building and Grounds capital assets was \$2.4 million. Additionally, the Village expended \$5.5 million for the Route 83 site development.

Debt Administration

At the end of fiscal year 2019, the Village had \$48.7 million in long-term obligations outstanding, which includes the unamortized bond premiums. This is \$2.9 million more outstanding than the prior year end. Of this amount, \$37.4 million is debt from the tax increment financing (TIF) district, namely the Alternate Revenue Source Bonds, Series 2016 B (\$37.4 million) and Alternate Revenue Source Bonds, Series 2018. \$7.8 million is debt from the General Fund, namely Alternate Revenue Source Bonds, Series 2016 A.

The Village has a line of credit outstanding for capital projects. The line of credit is for \$3 million of which no amount is outstanding as of April 30, 2019.

Please refer to Note E of the report for changes in long-term debt this year.

Note E calculates the legal debt limit of the Village at April 30, 2019, which is \$27.7 million.

Economic Factors and Next Year's Budget

The fiscal 2020 budget passed by the Village Board indicates total budget revenues and expenditures/expenses of \$37.8 million and \$36.3 million, respectively. Fiscal 2019 budgeted revenues and expenditures/expenses were \$40.8 million and \$38.1 million, respectively. The \$3.0 million decrease in revenues consists of reductions in the sale of bonds and loans of \$3.0 million and sale of assets of \$1.1 million combined with increases in sales tax, interest income and water and sewer revenue of \$1.1 million.

The fiscal 2019 budget shows a \$1.8 million decrease in expenditures. Of this amount, \$3.9 million is attributable to various capital expenditures (building and equipment of \$1.8 million, TIF Fund of \$1.9 million and MFT Fund of \$0.2 million) combined with increases

Village of Crestwood, Illinois
Management's Discussion and Analysis
April 30, 2019

in compensation of \$1.1 million, debt service of \$0.7 million and new accounting software of \$0.3 million.

The Village's current economic development plans continue to be concentrated in three areas, i.e., the development of the east and west sides of the Cal Sag Road for commercial development, rehabilitating the water and sewer lines in Playfield Park and the various projects along Midlothian Turnpike. The Village's main focus in the current fiscal year will be developing the north side of Cal Sag Road both east and west of Cicero Avenue. The development of this property would be part of the new Route 83 TIF Redevelopment Area. The Village has developed the infrastructure for new stores, restaurants and hotel on the west side of Cicero Avenue. Two stores are targeted to open in November 2019 with the Village negotiating with additional stores. The east side is in the process of removing the remaining excess dirt and stone and grading the area with a completion date of spring 2020. Currently the Village is in the process of applying for a casino license with the Illinois Gaming Board for the east side.

The Village's current and long-term capital project plans involve various projects as noted below. First, a \$23 million project in the Playfield Park area to rehabilitate and replace water lines and sanitary and storm sewers. In addition, streets, sidewalks and curbs would be upgraded. This project would give the area a much-needed improvement. Currently, the Village received a low-cost loan with the Illinois Environmental Protection Agency for the project and is working on grants to minimize the cost to its residents. This project began in fiscal year 2019 and will continue for several years. Second, a 135th and Central dyke is in the final stages of approval which would divert storm water and lessen flooding problems. The engineering for this project has been completed and the Village is finalizing grants from the Metropolitan Water Reclamation District, State of Illinois and Federal governments totaling \$18.5 million with the Village's estimated cost to be \$0.5 million. The project is expected to begin in the spring of 2020. Third, the Village licensed a feasibility study to develop a third potential tax increment financing district, i.e., the Midlothian Turnpike/Cicero Avenue Tax Increment Financing District. The intention is to develop the Midlothian Turnpike and Cicero Avenue project area for additional commercial development and upgrading of the Village's municipal buildings. Fourth, adjacent to this area is the former state police building site which is owned by the Village. The Village is in current negotiations to develop this site as a cannabis dispensary store under the new Illinois Cannabis Regulation and Tax Act. The anticipated date for opening is spring 2020.

Subsequent Events

In August, 2019 the Village approved an Ordinance declaring surplus funds in the General Fund in an amount equal to the Village's portion of 2018 property tax bills. It is estimated that \$500,000 will be refunded in accordance with 35 ILCS 200/30-20 by November 2019.

Village of Crestwood, Illinois
Management's Discussion and Analysis
April 30, 2019

Requests for Information

The financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Question concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village at 13840 South Cicero Avenue, Crestwood, Illinois 60418.

Basic Financial Statements

Village of Crestwood, Illinois

Statement of Net Position
April 30, 2019

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and Investments	\$ 13,875,916	\$ 1,655,830	\$ 15,531,746
Restricted Cash and Investments	2,398	-	2,398
Prepaid Bond Insurance	434,904	-	434,904
Prepaid Expenditures	174,269	-	174,269
Security Deposit	54,643	-	54,643
Receivables			
Property Taxes	1,682,823	-	1,682,823
Sales Tax	1,260,979	-	1,260,979
Income Tax	219,397	-	219,397
Intergovernmental	307,516	-	307,516
Ambulance Service	100,794	-	100,794
Accounts	-	286,948	286,948
Unbilled Water and Sewer	-	457,356	457,356
Safe Speed	208,459	-	208,459
Other	42,223	-	42,223
Due from Other Local Governments	5,000	-	5,000
Internal Balances	680,449	(680,449)	-
Capital Assets	63,195,419	17,916,977	81,112,396
Total Assets	<u>82,245,189</u>	<u>19,636,662</u>	<u>101,881,851</u>
<u>Deferred Outflows of Resources</u>			
Related to Pensions	<u>1,255,717</u>	-	<u>1,255,717</u>
<u>Liabilities</u>			
Accounts Payable	592,109	339,672	931,781
Accrued Salaries	254,365	20,854	275,219
Accrued Pension	898	-	898
Accrued Interest Payable	627,329	-	627,329
Deposits	24,000	-	24,000
Due to Other Funds	443	-	443
Long-term Obligations, Due Within One Year			
General Obligation Bonds	543,270	-	543,270
Revenue Bonds	2,083,668	-	2,083,668
Compensated Absences	111,531	-	111,531
Long-term Obligations, Due in More Than One Year			
General Obligation Bonds	7,751,058	-	7,751,058
Net Pension Liability	1,190,164	-	1,190,164
Revenue Bonds	38,353,729	-	38,353,729
Total Liabilities	<u>51,532,564</u>	<u>360,526</u>	<u>51,893,090</u>
<u>Deferred Inflows of Resources</u>			
Deferred Revenue			
Property Tax	1,674,760	-	1,674,760
Pension Related	195,047	-	195,047
	<u>1,869,807</u>	<u>-</u>	<u>1,869,807</u>
<u>Net Position</u>			
Net Investment in Capital Assets	46,197,817	17,916,977	64,114,794
Restricted for Debt Service	980,076	-	980,076
Restricted for Street Improvements	1,333,763	-	1,333,763
Unrestricted	(18,413,121)	1,359,159	(17,053,962)
Total Net Position	<u>\$ 30,098,535</u>	<u>\$ 19,276,136</u>	<u>\$ 49,374,671</u>

See accompanying notes to the financial statements.

Village of Crestwood, Illinois

Statement of Activities
Year Ended April 30, 2019

FUNCTIONS/PROGRAMS	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Business Activities
Governmental Activities:	Expenses				Totals
General Government	\$ 4,882,581	\$ 133,868	\$ -	\$ (4,192,545)	\$ (4,192,545)
Public Safety	5,339,905	-	-	(1,620,783)	(1,620,783)
Street and Bridge	1,476,327	-	-	(1,476,327)	(1,476,327)
Sanitation	845,059	-	-	(845,059)	(845,059)
Recreation	1,283,504	423,920	-	(859,584)	(859,584)
Tax increment financing costs	328,522	-	-	(328,522)	(328,522)
Interest on long-term debt	1,741,725	-	-	(1,741,725)	(1,741,725)
Total Government Activities	15,897,623	133,868	-	(11,064,545)	(11,064,545)
Business Type Activities:					
Water and Sewer	3,721,653	-	-	-	96,431
Total Primary Government	\$ 19,619,276	\$ 133,868	\$ -	(11,064,545)	(10,968,114)
General Revenues, Special Items and Transfers					
Taxes					
Property				3,285,659	3,285,659
Sales				8,080,971	8,080,971
Income				1,132,341	1,132,341
Motor Fuel				552,874	552,874
Other Taxes				869,531	869,531
Unrestricted investment income				251	102,102
Other General Revenues				1,105,578	1,105,578
Gain on Sale of Assets				16,776	16,776
Transfer to Fiduciary Pension Funds				(222,369)	(222,369)
Total General Revenues, Special Items and Transfers				14,923,212	14,923,463
Change in Net Position				3,858,667	3,955,349
Net Position					
Beginning of the Year, as restated				26,239,868	19,179,454
End of the Year				\$ 30,098,535	\$ 19,276,136
					\$ 49,374,671

See accompanying notes to the financial statements.

Village of Crestwood, Illinois

Balance Sheet
Governmental Funds
April 30, 2019

	Major Governmental Funds				
	General	135th & Cicero Tax Increment Financing	Rt. 83 & Cicero Tax Increment Financing	Other Governmental	Total
<u>Assets</u>					
Cash and Investments	\$ 10,397,859	\$ 1,446,712	\$ 273	\$ 2,031,072	\$ 13,875,916
Restricted Cash and Investments	-	2,398	-	-	2,398
Prepaid Bond Insurance	-	434,904	-	-	434,904
Prepaid Expenditures	-	-	174,269	-	174,269
Security Deposit	-	-	54,643	-	54,643
Receivables					
Property Taxes	898,765	784,058	-	-	1,682,823
Sales Tax	943,601	185,137	-	132,241	1,260,979
Income Tax	109,451	-	-	109,946	219,397
Intergovernmental	222,279	-	-	85,237	307,516
Due from Insurance	100,794	-	-	-	100,794
Safe Speed	208,459	-	-	-	208,459
Other	42,223	-	-	-	42,223
Due from Other Funds	6,181,279	475	-	-	6,181,754
Total Assets	<u>\$ 19,104,710</u>	<u>\$ 2,853,684</u>	<u>\$ 229,185</u>	<u>\$ 2,358,496</u>	<u>\$ 24,546,075</u>
<u>Liabilities</u>					
Accounts Payable	\$ 337,381	\$ -	\$ 231,663	\$ 23,065	\$ 592,109
Accrued Salaries	236,476	-	-	17,889	254,365
Accrued Pension	898	-	-	-	898
Deposits	24,000	-	-	-	24,000
Due to Other Funds	443	-	5,487,568	13,737	5,501,748
Total Liabilities	<u>599,198</u>	<u>-</u>	<u>5,719,231</u>	<u>54,691</u>	<u>6,373,120</u>
<u>Deferred Inflows of Resources</u>					
Unearned Property Taxes	890,702	784,058	-	-	1,674,760
Grant Income	-	-	-	-	-
Total Deferred Inflows of Resources	<u>890,702</u>	<u>784,058</u>	<u>-</u>	<u>-</u>	<u>1,674,760</u>
<u>Fund Balances (Deficit)</u>					
Nonspendable					
Prepaid Items	-	434,904	174,269	-	609,173
Restricted					
Debt Service	-	-	-	980,076	980,076
TIF Redevelopment	-	1,634,722	-	-	1,634,722
Motor Fuel	-	-	-	1,333,763	1,333,763
Unassigned	17,614,810	-	(5,664,315)	(10,034)	11,940,461
Total Fund Balances (Deficit)	<u>17,614,810</u>	<u>2,069,626</u>	<u>(5,490,046)</u>	<u>2,303,805</u>	<u>16,498,195</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 19,104,710</u>	<u>\$ 2,853,684</u>	<u>\$ 229,185</u>	<u>\$ 2,358,496</u>	<u>\$ 24,546,075</u>

See accompanying notes to the financial statements.

Village of Crestwood, Illinois

Reconciliation of the Total Fund Balance of Governmental Funds
to Net Position of Governmental Activities
April 30, 2019

Total Fund Balance of Governmental Funds	\$16,498,195
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.	63,195,419
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Reimbursement Due from the Other Local Government	5,000
Some liabilities reported in the Statement of Activities do not require the use of current financial resources; and therefore, are not reported in governmental funds. These activities consist of:	
Deferred Outflows of Resources Related to Pensions	1,255,717
Deferred Inflows of Resources Related to Pensions	(195,047)
General Obligation Bonds Payable	(48,731,725)
Compensated Absences	(111,531)
Net Pension Liability	(1,190,164)
Accrued interest on long-term liabilities is shown as a liability on the statement of net position.	<u>(627,329)</u>
Net Position of Governmental Activities	<u><u>\$30,098,535</u></u>

See accompanying notes to the financial statements.

Village of Crestwood, Illinois

Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
Year Ended April 30, 2019

	Major Governmental Funds				
	General	135th & Cicero Tax Increment Financing	Rt. 83 & Cicero Tax Increment Financing	Other Governmental Funds	Total
<u>Revenues</u>					
Property Tax	\$ 1,349,276	\$ 1,706,383	\$ -	\$ 230,000	\$ 3,285,659
Sales Tax	6,012,586	1,206,558	-	861,827	8,080,971
State Income Tax	681,944	-	-	450,397	1,132,341
Motor Fuel Tax	-	-	-	552,874	552,874
Other Taxes	869,531	-	-	-	869,531
Intergovernmental	133,868	-	-	-	133,868
Licenses and Permits	556,168	-	-	-	556,168
Fines and Penalties	3,123,459	-	-	-	3,123,459
Charges for Services	-	-	-	423,920	423,920
Advanced Life Support	595,663	-	-	-	595,663
Miscellaneous	960,532	-	145,046	-	1,105,578
Interest	95,585	430	-	5,836	101,851
Total Revenues	<u>14,378,612</u>	<u>2,913,371</u>	<u>145,046</u>	<u>2,524,854</u>	<u>19,961,883</u>
<u>Expenditures</u>					
Current					
General Government	3,362,906	21,332	307,190	-	3,691,428
Public Safety	4,928,766	-	-	-	4,928,766
Parks and Recreation	427,604	-	-	748,275	1,175,879
Street and Bridge	719,498	-	-	385,366	1,104,864
Sanitation	845,060	-	-	-	845,060
Surplus Fund Expenditures	402,179	-	-	-	402,179
Debt Service					
Principal	241,352	2,815,000	-	853,409	3,909,761
Interest and Fees	106,604	-	-	-	106,604
Capital Outlay	<u>2,421,968</u>	<u>-</u>	<u>5,637,087</u>	<u>-</u>	<u>8,059,055</u>
Total Expenditures	<u>13,455,937</u>	<u>2,836,332</u>	<u>5,944,277</u>	<u>1,987,050</u>	<u>24,223,596</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>922,675</u>	<u>77,039</u>	<u>(5,799,231)</u>	<u>537,804</u>	<u>(4,261,713)</u>
<u>Other Financing Sources (Uses)</u>					
Sale of Capital Assets	16,776	-	-	-	16,776
Bond Proceeds	5,000,000	-	-	-	5,000,000
Proceeds from Note Payable	-	-	-	-	-
Transfers In	-	-	211,963	146,965	358,928
Transfers Out	<u>(369,334)</u>	<u>(211,963)</u>	<u>-</u>	<u>-</u>	<u>(581,297)</u>
Total Other Financing					
Sources (Uses)	<u>4,647,442</u>	<u>(211,963)</u>	<u>211,963</u>	<u>146,965</u>	<u>4,794,407</u>
Net Change in Fund Balance	5,570,117	(134,924)	(5,587,268)	684,769	532,694
Fund Balance, Beginning of Year, as restated	<u>12,044,693</u>	<u>2,204,550</u>	<u>97,222</u>	<u>1,619,036</u>	<u>15,965,501</u>
Fund Balance (Deficit), End of Year	<u>\$ 17,614,810</u>	<u>\$ 2,069,626</u>	<u>\$ (5,490,046)</u>	<u>\$ 2,303,805</u>	<u>\$ 16,498,195</u>

See accompanying notes to the financial statements.

Village of Crestwood, Illinois
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended April 30, 2019

Net Change in Fund Balances of Governmental Activities	\$	532,694
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Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives as depreciation expense.

This is the amount of expenditures capitalized in the current period.		8,059,055
This is the amount of depreciation recorded in the current period.		(2,170,389)

The issuance of debt is reported as other financing sources in the governmental funds, but increases debt in the Statement of Net Position.		(5,000,000)
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Repayment of long-term debt is treated as an expenditure in the governmental funds, but the repayment reduces principal outstanding in the Statement of Net Position.		3,913,033
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Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as an expenditure in the governmental funds.

Accrual of interest is reported as interest expense on the statement of activities		(1,638,393)
Change in Pension Obligation		250,971
Change in Compensated Absences		(31,696)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds.

Reimbursements from Local Governments		(113,519)
Write off of prior amount due to another government		<u>56,911</u>

Change in Net Position of Governmental Activities	\$	<u><u>3,858,667</u></u>
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See accompanying notes to the financial statements.

Proprietary Fund

Village of Crestwood, Illinois

Proprietary Fund
Statement of Net Position
April 30, 2019

	<u>Enterprise Fund</u> <u>Water &</u> <u>Sewer Fund</u>
<u>Assets</u>	
Current Assets	
Cash and Investments	\$ 1,655,830
Due from TIF Route 83 Fund	142,887
Receivables:	
Accounts	286,948
Unbilled Water and Sewer Charges	457,356
Total Current Assets	<u>2,543,021</u>
Noncurrent Assets	
Construction in Progress	2,210,704
Water and Sewer System	26,639,855
Equipment	272,491
Subtotal	<u>29,123,050</u>
Less: Accumulated Depreciation	<u>(11,206,073)</u>
Total Noncurrent Assets	<u>17,916,977</u>
Total Assets	<u>20,459,998</u>
<u>Liabilities</u>	
Current Liabilities	
Accounts Payable	339,672
Accrued Salaries	20,854
Due to General Fund	823,336
Total Liabilities	<u>1,183,862</u>
<u>Net Position</u>	
Net Investment in Capital Assets	17,916,977
Unrestricted	<u>1,359,159</u>
Total Net Position	<u>\$ 19,276,136</u>

See accompanying notes to the financial statements.

Village of Crestwood, Illinois

Proprietary Fund

Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended April 30, 2019

	<u>Enterprise Fund Water & Sewer Fund</u>
<u>Operating Revenues</u>	
Charges for Services	
Water and Sewer	\$ 3,171,176
Penalties	57,270
Tap-In and Connection Fees	16,000
Capital Improvements	545,050
Miscellaneous	28,588
Total Revenues	<u>3,818,084</u>
<u>Operating Expenses</u>	
Operations	3,036,176
Depreciation	685,477
Total Operating Expenses	<u>3,721,653</u>
Operating Income (Loss)	<u>96,431</u>
<u>Nonoperating Revenues</u>	
Interest Income	<u>251</u>
Change in Net Position	96,682
Net Position, Beginning of the Year, as restated	<u>19,179,454</u>
Net Position, End of the Year	<u>\$ 19,276,136</u>

See accompanying notes to the financial statements.

Village of Crestwood, Illinois

Proprietary Funds
Statement of Cash Flows
For the Year Ended April 30, 2019

	<u>Enterprise Fund Water & Sewer Fund</u>
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Customers	\$ 3,776,070
Cash Payments for Goods and Services	(1,746,464)
Cash Payments to Employees for Services	(449,242)
Net Cash Provided by Operating Activities	<u>1,580,364</u>
<u>Cash Flows from Capital and Related Financing Activities</u>	
Purchase of Capital Assets	(1,307,333)
Net Cash Provided by Financing Activities	<u>(1,307,333)</u>
<u>Cash Flows from Investing Activities:</u>	
Interest	<u>251</u>
Net Increase (Decrease) in Cash	273,282
Cash, Beginning of Year	<u>1,382,548</u>
Cash, End of Year	<u>\$ 1,655,830</u>
 Reconciliation of Operating (Loss) to Net Cash Provided by Operating Activities	
Operating (Loss)	\$ 96,431
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by Operating Activities	
Depreciation	685,477
Changes in Assets/Liabilities	
Accounts/Unbilled Receivables	(42,014)
Interfund Accounts	802,761
Accrued Salaries	4,562
Accounts Payable	<u>33,147</u>
Net Cash Provided by Operating Activities	<u>\$ 1,580,364</u>

See accompanying notes to the financial statements.

Fiduciary Funds

Village of Crestwood, Illinois

Fiduciary Funds
Statement of Fiduciary Net Position
April 30, 2019

	Pension Trust Funds		
	Fire Pension Fund	Police Pension Fund	Total
<u>Assets</u>			
Cash in Bank	\$ 60,337	\$ 263,479	\$ 323,816
Investments	-	1,031,612	1,031,612
Property Tax Receivable	-	26,235	26,235
Accrued Interest	-	1,861	1,861
Due from Participants	-	443	443
Total Assets	<u>60,337</u>	<u>1,323,630</u>	<u>1,383,967</u>
<u>Deferred Inflows of Resources and Net Position</u>			
Deferred Property Taxes	-	25,748	25,748
Net Position Restricted for Pension Benefits	<u>\$ 60,337</u>	<u>\$ 1,297,882</u>	<u>\$ 1,358,219</u>

See accompanying notes to the financial statements.

Village of Crestwood, Illinois

Fiduciary Fund

Statement of Changes in Fiduciary Net Position
For the Year Ended April 30, 2019

	Pension Trust Funds		
	Fire Pension Fund	Police Pension Fund	Total
Additions			
Employer Contributions			
Property Tax	\$ -	\$ 98,650	\$ 98,650
Plan Member Contributions	5,868	55,122	60,990
Net Investment Income (Loss)	-	44,039	44,039
Total Additions	<u>5,868</u>	<u>197,811</u>	<u>203,679</u>
Deductions			
Filing and Miscellaneous fees	5,508	5,111	10,619
Pension Benefits	-	67,706	67,706
Total Deductions	<u>5,508</u>	<u>72,817</u>	<u>78,325</u>
Excess of Additions over Deductions	360	124,994	125,354
Other Financing Source			
Transfers In	<u>27,160</u>	<u>195,209</u>	<u>222,369</u>
Net Increase in Net Position	27,520	320,203	347,723
Net Position Restricted for Pension Benefits Beginning of the Year	<u>32,817</u>	<u>977,679</u>	<u>1,010,496</u>
End of the Year	<u>\$ 60,337</u>	<u>\$ 1,297,882</u>	<u>\$ 1,358,219</u>

See accompanying notes to the financial statements.

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The following is a summary of the Village's more significant accounting policies:

Reporting Entity

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

In conformity with GAAP, the Village's Police Pension Fund and the Firefighters' Pension Funds have been included as component units in the Village's basic financial statements. Although they are separate legal entities, these funds provide pension benefits for the Village's police officers and firefighters. Thus, their financial information has been blended within the Village's basic financial statements as fiduciary funds.

Fund Accounting

The Village uses funds to report on its financial position and changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds), the acquisition or construction of general capital assets (capital project funds) and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity or on behalf of others as their agent.

Government-Wide Financial Statements

The Village's basic financial statements consist of both the government-wide financial statements, including a Statement of Net Position and a Statement of Activities, and the fund financial statements which provide a more detailed level of financial information.

The Statement of Net Position and the Statement of Activities display information about the Village as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Position presents the financial condition of the governmental activities of the Village at year end. The Statement of Net Position includes all current assets and current liabilities and all capital assets, net of accumulated depreciation, and long-term debt associated with the operation of the Village.

The Statement of Activities presents a comparison between direct expenditures and program revenues for each program or function of the Village's governmental activities. Direct expenditures are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include both charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Village. The comparison of direct expenditures with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Village.

Fund Financial Statements

During the year, the Village segregates transactions related to certain Village functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Village at this more detailed level. The focus of governmental fund financial statements is on major funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Tax Increment Financing Funds are used to account for bond proceeds, incremental property tax, all non-home rule sales tax distributed to the Village and ad valorem taxes if needed, levied against property in the Village sufficient to retire the 135th and Cicero TIF Bonds and provide funds for the Rt. 83 and Cicero Avenue capital activity.

The Village reports the following major enterprise fund:

The Water and Sewer Fund is used to account for the activities of the water and sewer operations.

Additionally, the Village reports the following fiduciary funds:

The Pension Funds are used to account for the police and firefighters pension activity. Fiduciary funds are excluded from the government-wide financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the "economic resources measurement focus" and the "accrual basis of accounting", as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Operating revenues/expenses include all revenues/expenses directly related to providing water and sewer services. Incidental revenues/expenses related to these services are reported as non-operating.

Government 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 collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except as noted hereinafter. Some State of Illinois tax payments to the Village, such as income tax, have been delayed due to a lack of sufficient or timely state revenues. The Village considers this a highly unusual circumstance, and, to not artificially distort revenue patterns, has in these cases recognized revenue beyond the 60-day period. Expenditures generally are when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales taxes, income taxes, off-track betting taxes, motor fuel taxes, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Village reports deferred and/or unearned revenue on its financial statements. Deferred/unearned revenue arises when potential revenue does not meet both the "measurable" and "available" or "earned" criteria for recognition in the current period. Deferred/unearned revenues also arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for deferred/unearned revenue is removed and revenue is recognized.

Differences between the government-wide financial statements and the fund financial statements are briefly explained in reconciliations included in the fund financial statements.

Cash and Investments

For purposes of the Statement of Cash Flows, the Village's proprietary fund considers all highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents.

Investments with a maturity of one year or less when purchased are stated at cost or amortized cost. Investments with a maturity greater than one year and all investments of the pension trust fund are stated at fair value except for non-negotiable certificates of deposit which are recorded at cost.

Illinois Funds, a money market mutual fund created by the Illinois State Legislature and controlled by the Illinois State Treasurer is reported at a \$1 per share value, which equals the fair value in the pool.

Restricted cash and investments consist of amounts held at First Midwest Bank, as required, under General Obligation Bond Series 2016B.

Interfund Activity

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "Internal Balances".

Interfund services are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

Inventories and Prepaid Items

The Village does not maintain inventory material to the financial statements. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

government-wide and fund financial statements. Also, bond insurance premiums noted under "Long-Term Obligations" below are reported as a prepaid item and amortized over the life of the bonds.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (i.e. roads, bridges, storm sewers and similar items on a prospective basis effective April 1, 2005) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital Assets are defined by the Village as assets with an initial, individual cost of more than \$2,500 for equipment, \$10,000 for buildings and improvements and \$50,000 for infrastructure assets and estimated useful lives in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs, including street overlays that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Buildings	50 years
Infrastructure	30-40 years
Improvements Other than Buildings	5-25 years
Machinery, Furniture and Equipment	3-20 years
Vehicles	7-15 years

In the fund financial statements, capital assets acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the government fund upon acquisition. Capital assets acquired for use in proprietary fund operations are accounted for the same as in the government-wide statements.

Long-Term Obligations

In the government-wide financial statements and proprietary fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of applicable bond premium or discount.

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

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance/Net Position

The Village's fund balances are required to be reported using five separate classifications as listed below. The Village may not necessarily utilize each classification in a given fiscal year.

Non-Spendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, or laws or regulations or other governments.

Committed – amounts that can be used only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, or laws or regulations or other governments.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under the Village's adopted policy, only the Village may assign amounts for specific purposes.

Unassigned – all other spendable amounts; positive amounts are reported only in the general fund.

When an expenditure is incurred for which both restricted and unrestricted fund balance is available, the Village considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Village considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Village's Board of Trustees has provided otherwise in its commitment or assignment actions.

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 both the Fire and Police Pension Plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as it is reported by those plans. 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.

Use of Estimates

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

Village of Crestwood, Illinois

Notes to the Financial Statements

April 30, 2019

B. DEPOSITS AND INVESTMENTS

Cash and investments are separately held by each of the Village's funds, including the pension trust fund.

Investment policies of the Village and the pension trust fund are limited by Illinois Compiled Statutes. In that regard, deposits/investments are limited to deposits/investments in insured commercial banks, obligations of the U.S. Treasury and U.S. agencies, certificates of deposit issued by commercial banks that are FDIC insured or collateralized, commercial paper that has the highest rating classifications by at least one of the standard rating agencies and has one of the two highest rating classifications by at least two of the standard rating agencies, the Illinois Public Treasurer's Investment Pool and any money market mutual fund permissible under State law. Repurchase agreements are not permissible under the investment policy.

As of April 30, 2019, the Village and Fire Pension Funds had no investments other than money market funds and certificates of deposit with financial institutions covered by FDIC. None of these investments have maturities greater than one year.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village has limited its exposure to interest rate risk by structuring the portfolios to provide liquidity for cash requirements for ongoing operations in money market funds and Illinois Funds.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk with investments to Illinois Funds. The Illinois Funds Money Market has earned Standard & Poor's highest rating (AAAm).

Concentration of credit risk is the risk that the Village or Fire Pension Funds has a high percentage of its investments invested in one type of investment. Neither the Village nor the fire pension trust fund has significant investments.

The policy is to maintain most funds in FDIC insured money market funds and certificates of deposit maturing in one year or less to ensure that proper liquidity is maintained in order to meet ongoing obligations.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 102% of the market value of principal and interest accrued. As of April 30, 2019, the deposits of the Village are either insured by the FDIC or fully collateralized.

Custodial credit risk for investments 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 that are in the possession of the outside party. The Village has not maintained a high percentage of its investments in one type of investment.

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

C. PROPERTY TAX

Property taxes for 2018 attach as an enforceable lien on January 1, 2019, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1, 2019 and July 1, 2019, and are payable in two installments, on or about March 1, 2019 and August 1, 2019. Tax increment financing (TIF) property tax receipts are received in two installments similar to levied taxes described above. TIF property taxes are not levied but are paid by the County from incremental property tax receipts of all taxing bodies within the TIF District. The County collects such taxes and remits them periodically. The 2018 levy is intended to partially fund expenditures for fiscal year 2019 to the extent of collections through April 30, 2019, and 60 days subsequent to that date. The remainder of the 2018 levy is deferred as of April 30, 2019.

The 2019 tax levy, which attached as an enforceable lien on property as of January 1, 2019, has not been recorded as a receivable as of April 30, 2019, as the tax has not yet been levied by the Village and will not be levied until December 2019, and, therefore, the levy is not measurable at April 30, 2019.

D. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<i>Governmental Activities:</i>				
Capital Assets, Not Being Depreciated				
Land	\$ 8,164,156	\$ 556,558	\$ -	\$ 8,720,714
Construction in Progress	<u>12,725,649</u>	<u>6,650,582</u>	<u>-</u>	<u>19,376,231</u>
Total Capital Assets				
Not Being Depreciated	<u>20,889,805</u>	<u>7,207,140</u>	<u>-</u>	<u>28,096,945</u>
Capital Assets being Depreciated				
Infrastructure	40,997,673	-	-	40,997,673
Buildings	14,780,497	546,757	-	15,327,254
Buildings Improvements	1,004,349	46,499	-	1,050,848
Equipment, Furniture and Fixures	2,230,287	141,091	-	2,371,378
Vehicles	<u>3,642,738</u>	<u>117,567</u>	<u>30,489</u>	<u>3,729,815</u>
Capital Assets being Depreciated	62,655,544	851,914	30,489	63,476,969
Less Accumulated Depreciation	<u>26,238,595</u>	<u>2,170,389</u>	<u>30,489</u>	<u>28,378,495</u>
Capital Assets being Depreciated, Net of Depreciation	<u>36,416,949</u>	<u>(1,318,475)</u>	<u>-</u>	<u>35,098,474</u>
Total Governmental Activities, Capital Assets, Net of depreciation	<u>\$ 57,306,754</u>	<u>\$ 5,888,665</u>	<u>\$ -</u>	<u>\$ 63,195,419</u>

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

D. CAPITAL ASSETS (continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<i>Business-type Activities:</i>				
Capital Assets, Not Being Depreciated				
Construction in Progress	\$ 950,644	\$ 1,260,060	\$ -	\$ 2,210,704
Capital Assets being Depreciated				
Water & Sewer System	26,639,855		-	26,639,855
Equipment	225,217	47,274	-	272,491
Capital Assets, Gross	26,865,072	47,274	-	26,912,346
Less accumulated depreciation	10,520,596	685,477	-	11,206,073
Capital Assets being Depreciated, Net of Depreciation	16,344,476	(638,203)	-	15,706,273
Total Business-Type Activities, Capital Assets, Net of Depreciation	\$ 17,295,120	\$ 621,857	\$ -	\$ 17,916,977

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General Government	\$ 1,627,054
Public Safety	301,675
Street and Bridge	103,193
Recreation	138,467
Total Governmental Activities Depreciation Expense	<u>\$ 2,170,389</u>

Business-type Activities:

Water and Sewer	<u>\$ 685,477</u>
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Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

E. LONG-TERM DEBT

Changes in long-term liabilities: During the year ended April 30, 2019, the following changes occurred in liabilities reported in the Statement of Net Position:

	<u>5/1/2018</u> <u>Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>4/30/2019</u> <u>Balances</u>	<u>Within</u> <u>One year</u>
Governmental activities:					
Bonds					
TIF Bonds	\$33,675,000	\$ 5,000,000	\$ 1,270,000	\$ 37,405,000	1,780,000
GO Bonds	8,190,000	-	430,000	7,760,000	470,000
Subtotal Bonds	41,865,000	5,000,000	1,700,000	45,165,000	2,250,000
Add Unamortized Premium	3,958,070	-	391,344	3,566,726	376,938
Total Bonds	45,823,070	5,000,000	2,091,344	48,731,726	2,626,938
Notes payable	241,352		241,352	-	
Net Pension Liability	1,036,012	154,151	-	1,190,163	-
Compensated absences	79,836	31,695	-	111,531	111,531
Total Long-Term Debt	<u>\$47,180,270</u>	<u>\$ 5,185,846</u>	<u>\$ 2,332,696</u>	<u>\$ 50,033,420</u>	<u>\$ 2,738,469</u>

The following is a summary of long-term debt of the Village at April 30, 2019:

Tax Increment Financing Bonds

On August 24, 2016, the Village issued \$33,675,000 tax-exempt General Obligation Bonds (Alternate Revenue), Series 2016B at a premium of \$3,760,834. Net proceeds of \$26,100,000, and an additional \$880,000 cash in the above Series 2004 project fund, (after net payment of \$925,834 in bond insurance premium, underwriting fees, issuance costs and interest) were remitted by the Series 2016B trustee to the above Series 2004 trustee for the redemption of the \$26,980,000 refunded bonds. The remaining \$10,400,000 was deposited with the Village as project revenue to be used in the development of the Route 83 and Cicero Redevelopment Project Area. \$2,565,000 serial bonds have an interest rate of 2.00%; \$6,180,000 serial bonds have a rate of 4.00%; \$24,930,000 serial bonds have a rate of 5.00% with interest paid semi-annually on June 15 and December 15. Principal is paid annually with a final maturity date of December 15, 2035. These bonds, together with interest, are limited obligations of the Village, payable solely from the collection of "tax receipts" (i.e. incremental property taxes distributed to the Village within the 135th and Cicero TIF District, all collections distributed to the Village from Non-Home Rule sales taxes and *ad valorem* taxes, if needed, levied against all of the taxable property in the Village). Bonds outstanding as of April 30, 2019 are \$32,405,000.

On August 20, 2018 the Village issued \$5,000,000 tax-exempt General Obligation Bonds (Alternate Revenue Source), Series 2018. The bonds are dated August 20, 2018 and have an interest rate of 3.41% with interest payable semi-annually on June 15 and December 15. Principal is paid annually with a final maturity date of December 15, 2027. The proceeds from these bonds are for the purpose of paying for redevelopment project costs in the Route 83 Redevelopment Project Area. These bonds, together with interest, are limited obligations of the Village, payable solely from the collection of pledged revenues and pledged taxes. "Bonds outstanding as of April 30, 2019 are \$5,000,000.

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

E. LONG-TERM DEBT (continued)

General Obligation Bonds

On January 28, 2016, the Village issued \$9,000,000 tax-exempt General Obligation Bonds (Alternate Revenue), Series 2016A at a premium of \$757,512. Net proceeds of \$8,710,461 (after payment of \$289,539 in underwriting fees and issuance costs) were deposited with the Village for the purpose of paying tort judgements and settlements. The bonds are dated February 3, 2016 and have an interest rate of 4.5% with interest payable semi-annually on June 15 and December 15. Principal is paid annually with a final maturity date of December 15, 2029. These bonds, together with interest, are limited obligations of the Village, payable solely from the collection of "tax receipts" (i.e. all collections distributed to the Village from Non-Home Rule sales taxes and *ad valorem* taxes, if needed, levied against all of the taxable property in the Village). Bonds outstanding as of April 30, 2019 are \$7,760,000.

Loans Payable

On August 31, 2015 the Village obtained a line of credit from First Midwest Bank in the amount of \$3,000,000 to acquire, construct and install certain public improvements. Interest on the loan is paid on a monthly basis at a variable rate 0.25 percentage points below the Prime Rate. For the fiscal year ended 2019, the rate was 5.00%. Principal on the line of credit is due on August 20, 2020. As the line of credit can be called due at any time, the entire balance is considered to be due within one year. The balance of the line of credit as of April 30, 2019 is \$0.

Debt Service to Maturity

The annual debt service requirements to retire all outstanding bonds at April 30, 2019 are estimated as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	2,626,936	2,039,300	4,666,236
2021	3,181,739	1,975,712	5,157,451
2022	2,781,201	1,863,437	4,644,638
2023	2,889,191	1,766,255	4,655,446
2024	2,995,899	1,663,911	4,659,810
2025-2029	16,310,277	6,422,367	22,732,644
2030-2034	12,642,323	3,064,425	15,706,748
2035-2036	5,304,159	395,500	5,699,659
	<u>\$ 48,731,725</u>	<u>\$ 19,190,907</u>	<u>\$ 67,922,632</u>

The Village's legal debt margin at April 30, 2019 is as follows:

Equalized Assessed Valuation (EAV)	\$ 313,550,663
Maximum Rate (65 ILCS 5/8-5-1)	8.625%
Legal Debt Limit	<u>\$ 27,043,745</u>

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

E. LONG-TERM DEBT (continued)

Since the TIF and Alternate Revenue bonds are neither general obligation bonds nor the subject of a tax levy they are not included in the legal debt limit calculation.

Total Outstanding Debt	\$ 45,165,000
Less; TIF Bonds	(37,405,000)
Less: Alternate Revenue Bonds	<u>(7,760,000)</u>
Net Debt Outstanding	<u>\$ -</u>

F. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks, along with medical claims for employees, are provided for through private insurance coverage. There were no significant changes in insurance coverage from the prior year and settlements did not exceed coverage for the current year.

G. CONDUIT DEBT OBLIGATION

In December 2010, the Village issued \$24,025,000 Adjustable Rate Demand Revenue Bonds (Trinity Christian College Association, Series 2010). The proceeds from the sale of the bonds were lent by the Village to Trinity Christian College through a promissory note in the above principal amount. This loan has been supplemented and amended by a first supplemental bond and loan agreement dated as of November 18, 2015.

The college used the bonds to refund prior debt and finance, refinance or reimburse itself for all or a portion of the costs of the acquisition, construction, renovation, improvement, remodeling and equipping of certain educational facilities. RBS Citizens Bank (now U. S. Bank National Association) has issued, on behalf of the owners of the bonds, an irrevocable transferable direct pay letter of credit securing the bonds. Neither the Village, nor the State nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

H. COMMITMENTS AND CONTINGENCIES

General Litigation

The Village monitors all claims and lawsuits on a case by case basis. If a claim is asserted and a probable loss is reasonably estimable, the Village recognizes a liability in the financial statements. The Village is currently a defendant in multiple cases. Although the outcome of these cases is not presently determinable, in the opinion of the Village, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

H. COMMITMENTS AND CONTINGENCIES (continued)

Commitments

In September 2019 the Village approved an Ordinance declaring surplus funds in the General Fund in an amount equal to the Village's portion of 2018 property tax bills. It is estimated that \$500,000 will be refunded in accordance with 35 ILCS 200/30-20 by November 2019.

Subsequent to the fiscal year ending April 30, 2019, the Village has purchased land located at 13960 S. Cicero Avenue in the amount of \$1,600,000. Additionally, the Village has signed a contract for the purchase of new software for the Village in the amount of \$195,895. This software is for financial management; property management; community development; on-line services; and the related installation and training costs.

Subsequent to its fiscal year-end, the Village has been approved for a loan with the Illinois Environmental Protection Agency in the amount of \$4,027,000 at rate of 1.38% to be repaid over a twenty-year term in semi-annual payments. The purpose of the loan is to fund the first of three phases of the Village's water main replacement project.

Lease Liabilities

The Village has two leases outstanding for property it rents from the Metropolitan Water Reclamation District as follows:

Lease 1 – The term of this lease is sixty years beginning on September 15, 2017 and ending on September 14, 2077. During the ten-year period from September 15, 2017 through September 14, 2027, the annual rental shall be \$158,000 payable in annual installments due on the annual commencement date of this lease. Thereafter, on each periodic ten-year anniversary following the effective date of this lease, and every ten-year periodic anniversary thereafter, the fixed annual rental to be paid shall be adjusted and predetermined per a fair market valuation. The amount of the annual rent payment will be based on the fair market value determined times 6.077%.

Lease 2 – The term of this lease is sixty years beginning on January 1, 2019 and ending on December 31, 2078. During the ten-year period from January 1, 2019 through December 31, 2028, the annual rental shall be \$169,000 payable in annual installments due on the annual commencement date of this lease. Thereafter, on each periodic ten-year anniversary following the effective date of this lease, and every ten-year periodic anniversary thereafter, the fixed annual rental to be paid shall be adjusted and predetermined per a fair market valuation. The amount of the annual rent payment will be based on the fair market value determined times 6.0%.

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

I. GRANTS

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

J. INDIVIDUAL FUND DISCLOSURES

Account Deficits

The Rt. 83 & Cicero Tax Increment Financing and Recreation funds have deficit fund balances of \$5,490,046 and \$10,034, respectively as of April 30, 2019. Future fund transfers and/or tax levies are expected to fund these deficits.

Transfers

The General Fund made a routine transfer of \$195,209 to the Police Pension Fund which represents fifty percent of the proceeds from the video gaming revenues. The purpose of the transfer is to increase the funding ratio of the Police Pension Fund which was 78.16% as of April 30, 2019.

The General Fund made a transfer of \$92,500 to the Recreation Fund for additional working capital.

The General Fund made a transfer of \$27,160 to the Fire Pension Fund for an estimate of the Village's pension contribution prior to the actuarial report.

The General Fund made a transfer of \$54,465 to the Route 83 and Cicero TIF fund to pay for development costs.

The 135th and Cicero TIF Fund transferred \$211,963 to the Route 83 and Cicero TIF fund to pay for development costs.

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

J. INDIVIDUAL FUND DISCLOSURES (continued)

Internal (interfund) balances at April 30, 2019 were as follows:

Fund	Internal Balances	
	Receivable	Payable
General Fund		
Water & Sewer	\$ 823,336	\$ -
Rt. 83 & Cicero TIF	5,344,681	-
Rt. 83 Debt Service	13,201	-
Recreation Fund	61	-
Police Pension	-	443
Total General Fund	6,181,279	443
135th & Cicero TIF Fund		
Debt Service	475	-
Total 135th & Cicero	475	-
Recreation Fund		
General Fund	-	61
Police Pension		
General Fund	443	-
Rt. 83 & Cicero TIF Fund		
General Fund	-	5,344,681
Water & Sewer	-	142,887
Total Rt. 83 & Cicero	-	5,487,568
Debt Service		
135th & Cicero	-	475
Route 83 Debt Service Fund		
135th & Cicero	-	13,201
Water & Sewer		
Rt. 83 & Cicero TIF	142,887	-
General Fund	-	823,336
Grand Total	\$ 6,325,084	\$ 6,325,084

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS

The Village contributes to three defined benefit pension plans - the Police Pension Plan, Fire Pension Plan and the Illinois Municipal Retirement Plan.

POLICE PENSION

Plan Description

The Police Pension Plan is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The plan provides retirement benefits as well as death and disability benefits. The plan does not issue a separate stand-alone report.

Plan Membership

At April 30, 2019, the measurement date, membership consisted of:

Inactive Plan Members:	
Currently Receiving Benefits	3
Entitle to, but not yet Receiving Benefits	1
Active Plan Members	<u>7</u>
Total	<u>11</u>

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater.

The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of 1/2 of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

POLICE PENSION (continued)

service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55).

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

Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or 1/2 of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2019, the Village's contribution was 53.53% of covered payroll.

Investment Policy

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

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

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

POLICE PENSION (continued)

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Certificates of Deposit	0%	0.50%
State, Local and Corporate Obligations	25%	2.50%
U.S. Government and Agency Obligations	45%	2.50%
Mutual Funds	10%	5.50%
Cash and Cash Equivalents	20%	0.50%
Total	100%	

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

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in September 2013 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2019 are listed in the table above.

Investment Valuations

The Police Pension Fund has the following recurring fair value measurement as of April 30, 2019. The Mutual Funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The Corporate Bonds, Certificates of Deposit are valued using quoted pricing models (Level 2 inputs).

Investment Concentrations

Investments (other than United States Government guaranteed obligations) in any one organization represent 5% or more of the Fund's investments as of April 30, 2019 are as follow:

<u>Investment Description</u>	<u>Investment Amount</u>	<u>% of Assets</u>
Apple, Inc. Bond	\$ 244,835	18.9%
Cysco Systems Bond	73,755	5.7%

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

POLICE PENSION (continued)

Investment Rate of Return

For the year ended April 30, 2019, the annual money-weighted rate of return on pension plan investments was 3.83%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the change in amounts invested.

Custodial Credit Risk

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

Interest Rate Risk

The Police Pension Fund has limited its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in money market funds. This Fund does not have any debt investments or other investments that are highly sensitive to changes in interest rates.

The following table presents the investments and maturities of the Police Pension Fund's cash and investments at April 30, 2019.

Cash and Investment Type	Fair Value	Investment Maturities		
		Less Than One Year	One to Five Years	Five to Ten Years
Cash & Cash Equivalents	\$ 263,479	\$ 263,479	\$ -	\$ -
U.S. Treasury Notes	586,910	-	586,910	-
Corporate Bonds	318,654	-	318,654	-
Mutual Funds	126,048	126,048	-	-
Total Cash and Investments	\$ 1,295,091	\$ 389,527	\$ 905,564	\$ -

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government, securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government, and investment grade corporate bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's, and BBB- by Fitch by at least two of the three rating agencies. As of April 30, 2019, the Plan's investments in U.S. Government agencies were rated AAA by Standard and Poor's and Aaa by Moody's Investors Service. The Bond Credit ratings are listed in the following table.

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

POLICE PENSION (continued)

<u>Type of Investment</u>	<u>Rating</u>	<u>Amount</u>
Corporate Bonds	AA+	\$ 244,835
	AA-	73,820
		<u>\$ 318,655</u>

Net Pension Liability

Changes in the Net Pension Liability are derived from the changes in the total pension liability and changes in the plan net position as follows:

	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability/(Asset) (a) - (b)</u>
Balances Beginning at 5/1/2018	<u>\$ 1,452,924</u>	<u>\$ 977,679</u>	<u>\$ 475,245</u>
Charges for the year:			
Service Cost	169,927	-	169,927
Interest	79,445	-	79,445
Actuarial Experience	(23,902)	-	(23,902)
Assumptions Changes	49,709	-	49,709
Plan Changes	-	-	-
Contributions - Employer	-	293,671	(293,671)
Contributions - Employee	-	55,122	(55,122)
Contributions - Other	-	-	-
Net Investment Income	-	42,661	(42,661)
Benefit Payments from Trust	(67,886)	(67,886)	-
Administrative Expenses	-	(3,554)	3,554
Other (Net Transfer)	-	-	-
Net Changes	<u>207,293</u>	<u>320,014</u>	<u>(112,721)</u>
Balances Ending at 4/30/2019	<u>\$ 1,660,217</u>	<u>\$ 1,297,693</u>	<u>\$ 362,524</u>

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

POLICE PENSION (continued)

Actuarial Assumptions

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

Actuarial valuation date	4/30/19
Actuarial cost method	Entry-age, normal
Amortization period	Level percentage of pay
Remaining amortization period	21 years
Asset valuation period	Market Value
Inflation	2.50%
Significant actuarial investment rate of return	5.00%
Projected salary increases	3.5% - 11.00%
Cost-of-living adjustments	Tier 1 - 3% per year Tier 2 - 1.25% per year

Mortality rates were based on the RP-2014 Mortality Table (BCHA) projected to 2018 using improvement scale MP-2018.

Discount Rate

The discount rate used to measure the total pension liability was 5.00%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 5.00% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.00%) and 1 percentage point higher (6.00%) than the current rate:

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Net Pension Liability	\$ 663,064	\$ 362,524	\$ 128,921

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

POLICE PENSION (continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Police Pension

For the year ended April 30, 2019, the Village recognized Police Pension (benefit) expense of \$141,870. At April 30, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to the Police Pension from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 130,146
Assumption Changes	44,199	-
Net difference between the projected and actual earnings on pension plan investments	37,695	-
Total	<u>\$ 81,894</u>	<u>\$ 130,146</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to Police Pension will be recognized in pension expense (benefit) in future periods as follows:

<u>Year Ending December 31,</u>	<u>Net Deferred Inflows of Resources</u>
2020	\$ (816)
2021	(816)
2022	(815)
2023	(9,870)
2024	(12,503)
Thereafter	(23,432)
Total	<u>\$ (48,252)</u>

FIREFIGHTERS' PENSION

The Firefighters' Pension Plan is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The plan provides retirement benefits as well as death and disability benefits. The plan does not issue a separate stand-alone report.

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

FIREFIGHTERS' PENSION (continued)

Plan Membership.

Membership in the plan consisted of the following as of April 30, 2019:

Inactive Plan Members:	
Currently Receiving Benefits	-
Entitled to, but not yet Receiving Benefits	-
Active Plan Members	<u>1</u>
Total	<u>1</u>

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Employees 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 least day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years not to exceed 75.00% of such salary.

The monthly benefit of a Firefighters' 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 increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Contributions

Costs of administering the plan are financed through employee and employer contributions. Covered employees are required to contribute 9.455 % of their base salary to the Firefighters' Pension Plan.

The member rate is determined by state statute. The Village is required to contribute at an actuarially determined rate. The employer contribution is funded by property taxes. Administrative costs are funded by investment earnings. Contributions and benefits are recognized when due and payable. Refunds are recognized as paid.

Investment Policy

Illinois Compiled Statutes (ILCS) limit the Firefighters' Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

FIREFIGHTERS' PENSION (continued)

U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities and real estate investment trusts.

ILCS limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on assets shown here is from the State of Illinois Department of Insurance Actuarial Experience Study dated September 26, 2012. The best estimate of future real rates of return are developed for each of the major asset classes. Expected inflation is added back in. Adjustment is made to reflect geometric returns.

Investment Valuations

The firefighters' pension does not have any investments as of April 30, 2019. Valuations for investments in the future will be determined by the applicable Level 1, 2 or 3 inputs as deemed applicable.

Investment Rate of Return

For the year ended April 30, 2019, there was no annual money-weighted rate of return on pension plan investments, net of pension plan investment expense. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changes amounts actually invested.

Deposits with Financial Institutions

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

Interest Rate Risk

The Firefighters' Pension Fund has limited its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in money market funds. The Firefighters' Pension Fund does not have any debt investments or other investments that are highly sensitive to changes in interest rates.

The following table presents the investments and maturities of the Firefighters Pension Fund's cash and investments as of April 30, 2019.

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

FIREFIGHTERS' PENSION (continued)

The following table presents the investments and maturities of the Firefighters Pension Fund's cash and investments as of April 30, 2019.

Cash and Investment Type	Fair Value	Investment Maturities		
		Less Than One Year	One to Five Years	Five to Ten Years
Cash & Cash Equivalents	\$ 60,337	\$ 60,337	\$ -	\$ -
Total Cash and Investments - Firefighters' Pension Trust Fund	\$ 60,337			

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government, securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government, and investment grade corporate bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies. As of April 30, 2019, the Plan's investments in U.S. Government agencies were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The Plan's investments in the Illinois Funds were rated AAA by Standard & Poor's. The Money Market Mutual Funds, Insurance Contracts and Equities were not rated.

Custodial Credit Risk

For an investment, this is the risk, that in the event of failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The U.S. Treasury Notes, U.S. agency securities, and insurance contracts are held by the Fund's agent in the Fund's name. The Illinois Funds Investment Pool, Money Market Mutual Funds, and Equity Mutual Funds are not subject to custodial credit risk.

Village of Crestwood, Illinois

Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

FIREFIGHTERS' PENSION (continued)

Net Pension Liability

Changes in the Net Pension Liability are derived from the changes in the total pension liability and changes in the plan net position as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances Beginning at 5/1/2018	\$ 40,953	\$ 32,817	\$ 8,136
Charges for the year:			
Service Cost	22,599	-	22,599
Interest	3,178	-	3,178
Actuarial Experience	(17,971)	-	(17,971)
Assumptions Changes	1,485	-	1,485
Plan Changes	-	-	-
Contributions - Employer	-	27,160	(27,160)
Contributions - Employee	-	5,868	(5,868)
Contributions - Other	-	-	-
Net Investment Income	-	-	-
Benefit Payments from Trust	-	-	-
Administrative Expenses	-	(5,508)	5,508
Other (Net Transfer)	-	-	-
Net Changes	9,291	27,520	(18,229)
Balances Ending at 4/30/2019	\$ 50,244	\$ 60,337	\$ (10,093)

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

Actuarial Assumptions

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

Actuarial valuation date	4/30/19
Actuarial cost method	Entry-age, normal
Amortization period	Level percentage of pay
Remaining amortization period	21 years
Asset valuation period	Market Value
Inflation	2.50%
Significant actuarial investment rate of return	5.00%
Projected salary increases	3.50% - 12.50%

Village of Crestwood, Illinois

Notes to the Financial Statements

April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

FIREFIGHTERS' PENSION (continued)

Cost-of-living adjustments

Tier 1 - 3% per year

Tier 2 - 1.25% per year

Mortality rates are based on rates developed in the RP 2014 Mortality Table (BCHA) projected to 2018 using improvement scale MP-2018.

Discount Rate

The discount rate used to measure the total pension liability was 5.00%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 5.00% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.00%) of 1 percentage point higher (5.00%) than the current rate:

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Net Pension Liability	\$ (3,153)	\$ (10,093)	\$ (15,947)

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

FIREFIGHTERS' PENSION (continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Firefighters' Pension

For the year ended April 30, 2019, the Village recognized Firefighters' Pension expense of \$19,092. As of April 30, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to the Firefighters' Pension from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 16,785
Assumption Changes	1,273	9,983
Net difference between the projected and actual earnings on pension plan investments	2,501	-
Total	<u>\$ 3,774</u>	<u>\$ 26,768</u>
 Pension Contributions made subsequent to the Measurement Date	 -	 -
Total Calculated Deferred Amounts Related to Pensions	<u>\$ 3,774</u>	<u>\$ 26,768</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to Police Pension will be recognized in pension expense in future periods as follows:

<u>Year Ending December 31,</u>	<u>Net Deferred Inflows of Resources</u>
2020	\$ (3,996)
2021	(3,996)
2022	(3,994)
2023	(4,209)
2024	(4,443)
Thereafter	<u>(2,356)</u>
Total	<u>\$ (22,994)</u>

Village of Crestwood, Illinois

Notes to the Financial Statements

April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

ILLINOIS MUNICIPAL RETIREMENT FUND

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. 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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years of service credit, and 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 (a) 3% of the original pension amount, or (b) ½ the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2017, the following employees were covered by the benefit terms:

Retirees and Beneficiaries currently receiving benefits	-
Inactive Plan Members entitled to but not yet receiving benefits	4
Active Plan Members	<u>52</u>
Total	<u>56</u>

Contributions

As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2018 was 6.18%. For the year ended December 31, 2018, the Village contributed \$144,543 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Village of Crestwood, Illinois

Notes to the Financial Statements

April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

ILLINOIS MUNICIPAL RETIREMENT FUND

Net Pension Liability

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances Beginning at 1/1/2018	<u>\$ 1,053,525</u>	<u>\$ 500,894</u>	<u>\$ 552,631</u>
Charges for the year:			
Service Cost	173,378	-	173,378
Interest	78,859	-	78,859
Actuarial Experience	409,776	-	409,776
Assumptions Changes	60,153	-	60,153
Plan Changes	-	-	-
Contributions - Employer	-	144,543	(144,543)
Contributions - Employee	-	273,560	(273,560)
Contributions - Other	-	-	-
Net Investment Income	-	2,773	(2,773)
Benefit Payments from Trust	(177,523)	(177,523)	-
	-	-	-
Other (Net Transfer)	-	16,188	(16,188)
Net Changes	<u>544,643</u>	<u>259,541</u>	<u>285,102</u>
Balances Beginning at 12/31/2018	<u>\$ 1,598,168</u>	<u>\$ 760,435</u>	<u>\$ 837,733</u>

Actuarial Assumptions

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

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was 5-year smoothed market; 20% corridor
- The Inflation Rate was assumed to be 2.50%.
- Salary Increases were expected to be 3.39% to 14.25%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

ILLINOIS MUNICIPAL RETIREMENT FUND

- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37.00%	7.15%
International Equity	18.00%	7.25%
Fixed Income	28.00%	3.75%
Real Estate	9.00%	6.25%
Alternative Investments	7.00%	3.20-8.5%
Cash Equivalents	<u>1.00%</u>	2.50%
	<u>100.00%</u>	

Single Discount Rate

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

Village of Crestwood, Illinois
Notes to the Financial Statements
April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

ILLINOIS MUNICIPAL RETIREMENT FUND (continued)

The Single Discount Rate 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 rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

Changes in the Net Pension Liability are derived from the changes in total pension liability and changes in the plan net position. The Schedule of Changes in Net Pension Liability and Related Ratios, presented as required supplemental information (RSI) following the Notes to the Financial Statements, presents current period changes in the total pension liability and plan net position.

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

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

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Net Pension Liability	\$ 1,112,773	\$ 837,733	\$ 613,998

Village of Crestwood, Illinois

Notes to the Financial Statements

April 30, 2019

K. EMPLOYEE RETIREMENT PLANS (continued)

ILLINOIS MUNICIPAL RETIREMENT FUND (continued)

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

For the year ended April 30, 2019, the Village recognized pension benefit of \$81,622. As of April 30, 2019 the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 980,881	\$ -
Assumption Changes	52,452	38,133
Net difference between the projected and actual earnings on pension plan investments	<u>42,255</u>	<u>-</u>
Total	\$ 1,075,588	\$ 38,133
Pension Contributions made subsequent to the Measurement Date	94,461	-
Total Calculated Deferred Amounts Related to Pensions	<u>\$ 1,170,049</u>	<u>\$ 38,133</u>

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

<u>Year Ending December 31,</u>	<u>Net Deferred Outflows of Resources</u>
2019	271,163
2020	176,700
2021	176,164
2022	174,281
2023	165,398
Thereafter	<u>168,210</u>
Total	<u>\$ 1,131,916</u>

L. TAX INCREMENT FINANCING DISTRICT

On May 2, 2002, the Village adopted ordinances establishing the 135th and Cicero Tax Increment Financing Redevelopment Project Area. This area is located within a parcel of property bounded by 135th Street, Cicero Avenue and Cal Sag Road and developed with retail stores. The TIF was set to expire in 2023. However, by statute it has been extended through 2035 to correspond with repayment of the General Obligation Bonds, Series 2016B.

Village of Crestwood, Illinois

Notes to the Financial Statements

April 30, 2019

L. TAX INCREMENT FINANCING DISTRICT (continued)

On August 24, 2014 the Village adopted ordinances establishing the Route 83 and Cicero Tax Increment Financing Redevelopment Project Area. This area is located within the parcels of property north of Route 83, divided by Cicero Avenue into a west section and east section. Currently, the bond proceeds of \$12,000,000 (Series 2016B and 2016C) are being used to develop the area with retail businesses.

M. SUBSEQUENT EVENTS

September 5, 2019, the Village approved an Ordinance declaring surplus funds in the General Fund in an amount equal to the Village's portion of 2018 property tax bills. It is estimated that \$500,000 will be refunded in accordance with 35 ILCS 200/30-20 by November 2019.

N. PRIOR PERIOD ADJUSTMENTS

The Village has recorded prior period adjustments as of May 1, 2018 for the following reasons:

The Water & Sewer Fund has recorded a prior period adjustment in the amount of \$68,191 for an account receivable that it has subsequently become aware of being uncollectible.

For the Rt. 83 & Cicero Tax Increment Financing, the Village has recorded a prior period adjustment related to property rent expenditures incurred in the fiscal year ending April 30, 2018 but not paid until subsequently.

These prior period adjustments affected the respective funds as follows:

<u>Proprietary Fund</u>	
Net Position as of 4/30/18	\$ 19,247,644
Bad Debt Expense for prior period Receivable	(68,190)
Net Position as of 5/1/18, as restated	<u>\$ 19,179,454</u>
<u>Rt. 83 & Cicero Tax Increment Financing</u>	
Fund Balance as of 4/30/18	\$ 37,918
Prior Period Rental Activity	59,304
Fund Balance as of 5/1/18, as restated	<u>\$ 97,222</u>

Required Supplementary Information

Village of Crestwood, Illinois

General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2019

	Original & Final Budget	Actual	Variance From Final Budget Over (Under)
<u>Revenues</u>	\$ 14,653,000	\$ 14,378,612	\$ (274,388)
<u>Expenditures</u>			
Current			
General Government			
General and Administrative	1,255,300	1,303,117	47,817
Legal and Litigation	293,200	351,741	58,541
Audit	24,000	22,305	(1,695)
Buildings & Grounds	428,900	461,857	32,957
Public Transportation	91,850	82,429	(9,421)
Insurance	540,000	459,261	(80,739)
Information Technology	180,000	225,701	45,701
Payroll Tax	336,000	363,742	27,742
Other	155,000	92,753	(62,247)
Total General Government	3,304,250	3,362,906	58,656
Public Safety			
Police	2,519,100	2,708,029	188,929
Fire	2,283,500	2,063,489	(220,011)
Health and Safety	3,600	2,775	(825)
School Crossing Guards	33,200	32,779	(421)
Advanced Life Support	25,000	63,164	38,164
Emergency Services	48,300	58,530	10,230
Total Public Safety	4,912,700	4,928,766	16,066
Other Current Expenditures			
Parks and Recreation	399,670	427,604	27,934
Streets and Bridge	717,230	719,498	2,268
Garbage Disposal	820,000	845,060	25,060
Real Estate Tax Reimbursement	57,000	-	(57,000)
Surplus Fund Expenditures	500,000	402,179	(97,821)
Contingencies	660,000	-	(660,000)
Total Other Current Expenditures	3,153,900	2,394,341	(759,559)
Total Current Expenditures	11,370,850	10,686,013	(684,837)
Debt Service			
Principal	70,000	241,352	171,352
Cost of Issuance	-	106,604	106,604
Total Debt Service	70,000	347,956	277,956

(Continued)

See the accompanying notes to the required supplementary information.

Village of Crestwood, Illinois

General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2019

	Original & Final Budget	Actual	Variance From Final Budget Over (Under)
Capital Outlay			
General Government			
Buildings and Grounds	\$ 2,532,000	\$ 2,150,934	\$ (381,066)
Information Technology	50,000	46,708	(3,292)
Other	12,500	12,375	(125)
Public Safety			
Police	122,000	117,076	(4,924)
Fire	50,000	42,354	(7,646)
Emergency Services	25,000	24,171	(829)
Other			
Parks and Recreation	285,000	28,350	(256,650)
Street and Bridge	220,000	-	(220,000)
Total Capital Outlay	<u>3,296,500</u>	<u>2,421,968</u>	<u>(874,532)</u>
Total Expenditures	<u>14,737,350</u>	<u>13,455,937</u>	<u>(1,281,413)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(84,350)</u>	<u>922,675</u>	<u>1,007,025</u>
<u>Other Financing Sources (Uses)</u>			
Sale of Capital Assets	3,600,000	16,776	(3,583,224)
Bond Proceeds	5,000,000	5,000,000	-
Bank Loan Proceeds	250,000	-	(250,000)
Transfers Out	<u>(300,000)</u>	<u>(369,334)</u>	<u>(69,334)</u>
Total Other Financing Sources (Uses)	<u>8,550,000</u>	<u>4,647,442</u>	<u>(3,902,558)</u>
<u>Special Items</u>			
Net Changes in Fund Balance	<u>\$ 8,465,650</u>	5,570,117	<u>\$ (2,895,533)</u>
Fund Balance (Deficit), Beginning of the Year		<u>12,044,693</u>	
Fund Balance, End of the Year		<u>\$ 17,614,810</u>	

See the accompanying notes to the required supplementary information.

Village of Crestwood, Illinois

General Fund
Schedule of Revenues
Budget and Actual
For the Year Ended April 30, 2019

	Original & Final Budget	Actual	Variance From Final Budget Over (Under)
<u>Taxes</u>			
Property Tax	\$ 1,416,000	\$ 1,349,276	\$ (66,724)
Sales Tax	5,840,000	6,012,586	172,586
State Income Tax	1,090,000	681,944	(408,056)
Off-Track Betting Tax	235,000	221,050	(13,950)
Video Poker Tax	450,000	445,121	(4,879)
Miscellaneous Taxes:			
Replacement Taxes	40,000	29,795	(10,205)
Hotel-Motel Tax	110,000	108,154	(1,846)
Lease Rental Tax	50,000	49,555	(445)
Foreign Fire Insurance Tax	15,000	15,856	856
	<u>9,246,000</u>	<u>8,913,337</u>	<u>(332,663)</u>
<u>Intergovernmental</u>			
Regional Transportation Authority	16,000	11,701	(4,299)
Grants	250,000	122,167	(127,833)
	<u>266,000</u>	<u>133,868</u>	<u>(132,132)</u>
<u>Licenses and Permits</u>			
Vehicle Stickers	90,000	80,748	(9,252)
Building Permits & Subcontractor Fee	130,000	127,227	(2,773)
Business and Liquor Licenses	175,000	177,895	2,895
Franchise Fees	171,000	169,919	(1,081)
Miscellaneous	18,500	379	(18,121)
	<u>584,500</u>	<u>556,168</u>	<u>(28,332)</u>
<u>Fines and Penalties</u>			
Police Fines	3,300,000	3,123,459	(176,541)
<u>Miscellaneous</u>			
Theater Rental Fee	296,000	310,144	14,144
Municipal Events	2,500	-	(2,500)
Rental Income	-	36,892	36,892
Recreational	45,000	38,741	(6,259)
Advanced Life Support	600,000	595,663	(4,337)
Miscellaneous	283,000	574,755	291,755
	<u>1,226,500</u>	<u>1,556,195</u>	<u>329,695</u>
<u>Interest</u>	<u>30,000</u>	<u>95,585</u>	<u>65,585</u>
Total Revenues	<u>\$ 14,653,000</u>	<u>\$ 14,378,612</u>	<u>\$ (274,388)</u>

See the accompanying notes to the required supplementary information.

Village of Crestwood, Illinois

135th and Cicero Tax Increment Financing Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2019

	Original & Final Budget	Actual	Variance From Final Budget Over (Under)
<u>Revenues</u>			
Taxes			
Property	\$ 1,650,000	\$ 1,706,383	\$ 56,383
Sales	1,367,000	1,206,558	(160,442)
Interest	1,000	430	(570)
Total Revenues	<u>3,018,000</u>	<u>2,913,371</u>	<u>(104,629)</u>
<u>Expenditures</u>			
Current			
General Government			
General and Administrative	38,050	21,332	(16,718)
Debt Service	<u>2,815,000</u>	<u>2,815,000</u>	<u>-</u>
Total Expenditures	<u>2,853,050</u>	<u>2,836,332</u>	<u>(16,718)</u>
Excess (Deficiency) of Revenues Over(Under) Expenditures	164,950	77,039	(87,911)
<u>Other Financing Sources (Uses)</u>			
Transfers Out	<u>(550,000)</u>	<u>(211,963)</u>	<u>338,037</u>
Total Other Financing Sources	<u>(550,000)</u>	<u>(211,963)</u>	<u>338,037</u>
Net Changes in Fund Balance	<u>\$ (385,050)</u>	(134,924)	<u>\$ 250,126</u>
Fund Balance, Beginning of the Year		<u>2,204,550</u>	
Fund Balance, End of the Year		<u>\$ 2,069,626</u>	

See the accompanying notes to the required supplementary information.

Village of Crestwood, Illinois

Route 83 Tax Increment Financing Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2019

	Original & Final Budget	Actual	Variance From Final Budget Over (Under)
<u>Revenues</u>			
Taxes			
Property	\$ 13,400	\$ -	\$ (13,400)
Sale of Stone	250,000	145,046	(104,954)
Interest	100	-	(100)
Total Revenues	<u>263,500</u>	<u>145,046</u>	<u>(118,454)</u>
<u>Expenditures</u>			
Current			
General and Administrative	165,500	307,190	141,690
Capital Outlay	<u>5,050,000</u>	<u>5,637,087</u>	<u>587,087</u>
Total Expenditures	<u>5,215,500</u>	<u>5,944,277</u>	<u>728,777</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,952,000)</u>	<u>(5,799,231)</u>	<u>(847,231)</u>
<u>Other Financing Sources (Uses)</u>			
Transfer from 135th TIF Fund	<u>550,000</u>	<u>211,963</u>	<u>(338,037)</u>
Total Other Financing Sources (Uses)	<u>550,000</u>	<u>211,963</u>	<u>(338,037)</u>
Net Changes in Fund Balance	<u>\$ (4,402,000)</u>	<u>(5,587,268)</u>	<u>\$ (1,185,268)</u>
Fund Balance, Beginning of the Year, as restated		<u>97,222</u>	
Fund Balance, End of the Year		<u>\$ (5,490,046)</u>	

See the accompanying notes to the required supplementary information

Village of Crestwood
Police Pension Fund
Schedule of Employer Contributions
Last Ten Fiscal Years

<u>Fiscal Year</u> <u>Ended April 30,</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>Covered</u> <u>Valuation</u> <u>Payroll</u>	<u>Actual Contribution</u> <u>as a Percentage</u> <u>of Covered</u> <u>Valuation Payroll</u>
2015	\$ 48,281	\$ 164,611	\$ (116,330)	\$ 286,120	57.53%
2016	86,310	201,573	(115,263)	325,840	61.86%
2017	109,485	237,680	(128,195)	514,125	46.23%
2018	140,938	308,936	(167,998)	557,710	55.39%
2019	169,463	293,671	(124,208)	548,642	53.53%

The information directly above is formatted to comply with the requirements of GASB Statement No. 67. The 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.

See the accompanying notes the required supplementary information.

Village of Crestwood, Illinois

Police Pension Fund
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios

April 30, 2019

(schedule to be built prospectively from 2016)

	2019	2018	2017	2016
Total Pension Liability				
Service Cost	\$ 169,927	\$ 164,562	\$ 110,686	\$ 93,048
Interest	79,445	69,953	65,088	49,495
Differences Between Expected and Actual Experience	(23,902)	(140,894)	69,632	99,980
Changes of Assumptions	49,709	908	(62,151)	159,421
Benefit Payments, Including Refunds of Member Contributions	(67,886)	(81,312)	(90,616)	(89,565)
Net Change in Total Pension Liability	207,293	13,217	92,639	312,379
Total Pension Liability - Beginning	1,452,924	1,439,707	1,347,068	1,034,689
Total Pension Liability - Ending	<u>\$ 1,660,217</u>	<u>\$ 1,452,924</u>	<u>\$ 1,439,707</u>	<u>\$ 1,347,068</u>
Plan Fiduciary Net Position				
Contributions - Employer	\$ 293,671	\$ 308,936	\$ 237,680	\$ 201,573
Contributions - Member	55,122	51,338	37,629	29,822
Net Investment Income	42,661	(3,066)	637	96
Benefit Payments, Including Refunds of Member Contributions	(67,886)	(81,312)	(90,616)	(89,565)
Administrative Expense	(3,554)	(6,100)	(6,017)	(5,483)
Other	0	0	0	(40,281)
Net Change in Plan Fiduciary Net Position	320,014	269,796	179,313	96,162
Plan Net Position - Beginning	977,679	707,883	528,570	432,408
Plan Net Position - Ending	<u>\$ 1,297,693</u>	<u>\$ 977,679</u>	<u>\$ 707,883</u>	<u>\$ 528,570</u>

See the accompanying notes to the required supplementary information.

Village of Crestwood, Illinois

Police Pension Fund
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios
April 30, 2019
(schedule to be built prospectively from 2016)

	2019	2018	2017	2016
Employer's Net Pension Liability	<u>\$ 362,524</u>	<u>\$ 475,245</u>	<u>\$ 731,824</u>	<u>\$ 818,498</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.16%	67.29%	49.17%	39.24%
Covered-Employee Payroll	\$ 548,642	\$ 557,710	\$ 514,125	\$ 325,840
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	66.08%	85.21%	142.34%	251.20%

See the accompanying notes to the required supplementary information.

Village of Crestwood, Illinois

Police Pension Fund
Schedule of Investment Returns
April 30, 2019

	2019	2018	2017	2016	2015
Annual Money-Weighted Rate of Return, Return, Net of Investment Expense	3.38%	(0.35)%	0.10%	0.08%	0.20%

See the accompanying notes to the required supplementary information.

Village of Crestwood
Fire Pension Fund
Schedule of Employer Contributions
Last Ten Fiscal Years

<u>Fiscal Year</u> <u>Ended April 30,</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>Covered</u> <u>Valuation</u> <u>Payroll</u>	<u>Actual Contribution</u> <u>as a Percentage</u> <u>of Covered</u> <u>Valuation Payroll</u>
2017	\$ NA	\$ 5,000	\$ (5,000)	\$ 51,158	9.77%
2018	\$ 23,536	\$ 18,515	\$ 5,021	\$ 54,000	34.29%
2019	\$ 27,160	\$ 27,160	\$ -	\$ 59,500	45.65%

The information directly above is formatted to comply with the requirements of GASB Statement No. 67. The 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.

See the accompanying notes the required supplementary information.

Village of Crestwood, Illinois

Fire Pension Fund

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

Year Ended April 30, 2019

(schedule to be built prospectively from 2017)

	<u>April 30, 2019</u>	<u>April 30, 2018</u>	<u>April 30, 2017</u>
Total Pension Liability			
Service Cost	\$ 22,599	\$ 27,879	NA
Interest	3,178	1,385	NA
Changes of Benefit Terms	-	-	NA
Differences Between Expected and Actual Experience	(17,971)	(1,945)	NA
Changes of Assumptions	1,485	(14,057)	NA
Benefit Payments, Including Refunds of Member Contributions	-	-	NA
Net Change in Total Pension Liability	<u>9,291</u>	<u>13,262</u>	<u>NA</u>
Total Pension Liability - Beginning	<u>40,953</u>	<u>27,691</u>	<u>-</u>
Total Pension Liability - Ending	<u>\$ 50,244</u>	<u>\$ 40,953</u>	<u>\$ 27,691</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 27,160	\$ 18,515	\$ 5,000
Contributions - Member	5,868	5,015	4,837
Net Investment Income	-	-	-
Benefit Payments, Including Refunds of Member Contributions	-	-	-
Administrative Expense	(5,508)	(374)	(176)
Net Change in Plan Fiduciary Net Position	<u>27,520</u>	<u>23,156</u>	<u>9,661</u>
Plan Fiduciary Net Position - Beginning	<u>32,817</u>	<u>9,661</u>	<u>-</u>
Plan Fiduciary Net Position - Ending	<u>\$ 60,337</u>	<u>\$ 32,817</u>	<u>\$ 9,661</u>

See accompanying notes to the required supplementary information.

Village of Crestwood, Illinois

Fire Pension Fund

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

Year Ended April 30, 2019

(schedule to be built prospectively from 2017)

Employer's Net Pension Liability	<u>April 30, 2019</u>	<u>April 30, 2018</u>	<u>April 30, 2017</u>
	<u>\$ (10,093)</u>	<u>\$ 8,136</u>	<u>\$ 18,030</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	120.09%	80.13%	34.89%
Covered-Valuation Payroll	\$ 59,500	\$ 54,000	\$ 51,158
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	(16.96)%	15.07%	35.24%

See accompanying notes to the required supplementary information.

Village of Crestwood, Illinois

Fire Pension Fund
Schedule of Investment Returns
April 30, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	0.00%	0.00%	0.00%

See the accompanying notes to the required supplementary information.

Village of Crestwood, Illinois

Schedule of Employer Contributions - Illinois Municipal Retirement Fund

Last Ten Calendar Years

(schedule to be built prospectively from 2016)

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	\$ -	\$ 54,570	\$ (54,570)	\$ 494,287	11.04%
2017	-	183,673	(183,673)	1,663,716	11.04%
2018	137,236 *	144,543	(7,307)	2,220,653	6.51%

* Estimated based on contribution rate of 6.18% and covered valuation payroll of \$ 2,220,653.

See the accompanying notes to the required supplementary information.

Village of Crestwood, Illinois

Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios
Year Ended April 30, 2019
(schedule to be built prospectively from 2017)

	December 31, 2018	December 31, 2017	December 31, 2016
Total Pension Liability			
Service Cost	\$ 173,378	\$ 125,671	\$ 113,529
Interest	78,859	13,778	4,257
Differences Between Expected and Actual Experience	409,776	845,043	3,084
Changes of Assumptions	60,153	(51,837)	-
Benefit Payments, Including Refunds of Member Contribution	(177,523)	-	-
Net Change in Total Pension Liability	544,643	932,655	120,870
Total Pension Liability - Beginning	1,053,525	120,870	-
Total Pension Liability - Ending	<u>\$ 1,598,168</u>	<u>\$ 1,053,525</u>	<u>\$ 120,870</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 144,543	\$ 183,673	\$ 54,570
Contributions - Member	273,560	251,931	22,243
Net Investment Income	2,773	11,639	0
Benefit Payments, Including Refunds of Member Contribution	(177,523)	(18,173)	(4,989)
Net Other	16,188	429,070	71,824
Net Change in Plan Fiduciary Net Position	259,541	-	-
Plan Fiduciary Net Position - Beginning	500,894	71,824	-
Plan Fiduciary Net Position - Ending	<u>\$ 760,435</u>	<u>\$ 500,894</u>	<u>\$ 71,824</u>

See accompanying notes to the required supplementary information.

Village of Crestwood, Illinois

Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios
Year Ended April 30, 2019
(schedule to be built prospectively from 2017)

	December 31, 2018	December 31, 2017	December 31, 2016
Employer's Net Pension Liability	<u>\$ 837,733</u>	<u>\$ 552,631</u>	<u>\$ 49,046</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.58%	47.54%	59.42%
Covered-Valuation Payroll	\$ 2,220,653	\$ 1,663,716	\$ 494,287
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	37.72%	33.22%	9.92%

See accompanying notes to the required supplementary information.

Village of Crestwood, Illinois

Notes to the Required Supplementary Information

April 30, 2019

A. BUDGETS/APPROPRIATIONS

Annual budgets and appropriations are adopted for all governmental, proprietary and fiduciary funds. Budgets and appropriations are adopted on a basis consistent with generally accepted accounting principles. The budget and appropriation ordinances are the same except for additional contingency amounts that are included in the appropriation which does not exceed the budgeted amounts by 10%.

All departments of the Village submit requests for appropriations to the Village Manager so that the budget and appropriations may be prepared. The budget is prepared by fund, department and account, and includes information on the past year and current year estimates. As noted, the appropriations are then prepared based on the budget. All annual appropriations lapse at fiscal year-end.

The proposed budget and appropriations are presented to the governing body for review. The governing body holds public hearings and may add to, subtract from or change the budget and appropriation amounts, but may not change the form of the budget. The budget may be amended throughout the year by the governing body. The appropriation may be amended in accordance with Illinois Statutes.

Expenditures may not legally exceed budgeted appropriations at the fund level. There were no budget or appropriation amendments adopted during the year ended April 30, 2019. In addition, appropriations for debt service are established by bond ordinance.

There are no funds having expenditures/deductions in excess of budgeted appropriations and related excess amounts.

B. ACTUARIAL ASSUMPTIONS

For the Police Pension Plan, the actuarial assumptions used for determining the contribution rate for 2019 are as follows.

Valuation Date:	April 30, 2019
Actuarial Cost Method:	Entry-age, normal
Amortization Period:	Level percentage of pay
Remaining Amort. Period:	21-years
Asset Valuation Method:	Market Value
Investment Return:	5.0% net of expenses
Projected Salary Increases:	3.50% - 11.00%
Inflation:	2.50%
Mortality:	RP 2014 projected to 2018*

*Mortality Table with a blue color adjustment, with improvement scale MP-2018 applied generationally from 2013.

Village of Crestwood, Illinois

Notes to the Required Supplementary Information

April 30, 2019

B. ACTUARIAL ASSUMPTIONS (continued)

For the Fire Pension Plan, the actuarial assumptions used for determining the contribution rate for 2019 are as follows.

Valuation Date:	April 30, 2019
Actuarial Cost Method:	Entry-age, normal
Amortization Period:	Level percentage of pay
Remaining Amort. Period:	21-years
Asset Valuation Method:	5-Year Smoothing
Investment Return:	5.0%
Projected Salary Increases:	3.50% - 12.50%
Inflation:	2.50%
Mortality:	RP 2014 *

*See Police Pension on prior page.

For the IMRF Pension Plan, the actuarial assumptions used for determining the contribution rate for 2017 are as follows.

Valuation Date:	April 30, 2018
Actuarial Cost Method:	Aggregate Entry-age, normal
Amortization Period:	Level percentage of payroll
Remaining Amort. Period:	25- year closed period
Asset Valuation Method:	5-year smoothed market, 20% corridor
Investment Return:	7.5% net of expenses
Projected Salary Increases:	3.75% to 14.50% including inflation
Inflation:	2.75%
Mortality:	RP 2014*

*Employee Mortality Table with adjustments to match current IMRF experience.

Combining and Individual Fund
Statements and Schedules

Village of Crestwood, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds

April 30, 2019

	<u>Special Revenue Fund Type</u>				
	<u>Recreation</u>	<u>Motor Fuel</u>	<u>Debt Service</u>	<u>Route 83 Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Assets</u>					
Cash and Investments	\$ 30,981	\$ 1,248,526	\$ 398,307	\$ 353,258	\$ 2,031,072
Receivables	-	-	-	-	-
State Income Tax	-	-	132,241	109,946	109,946
Sales Tax	-	-	-	-	132,241
Motor Fuel Tax	-	85,237	-	-	85,237
Total Assets	<u>\$ 30,981</u>	<u>\$ 1,333,763</u>	<u>\$ 530,548</u>	<u>\$ 463,204</u>	<u>\$ 2,358,496</u>
<u>Liabilities and Fund Balance</u>					
Accounts Payable	\$ 23,065	\$ -	\$ -	\$ -	\$ 23,065
Due To Other Funds	61	-	475	13,201	13,737
Accrued Salaries	17,889	-	-	-	17,889
Total Liabilities	<u>41,015</u>	<u>-</u>	<u>475</u>	<u>13,201</u>	<u>54,691</u>
<u>Deferred Inflows of Resources</u>					
<u>Fund Balance</u>					
Restricted	-	-	530,073	450,003	980,076
Debt Service	-	1,333,763	-	-	1,333,763
Motor Fuel	(10,034)	-	-	-	(10,034)
Unassigned	<u>(10,034)</u>	<u>1,333,763</u>	<u>530,073</u>	<u>450,003</u>	<u>2,303,805</u>
Total Fund Balance					
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 30,981</u>	<u>\$ 1,333,763</u>	<u>\$ 530,548</u>	<u>\$ 463,204</u>	<u>\$ 2,358,496</u>

Village of Crestwood, Illinois

Combining Statement of Revenues, Expenditures and Change in
Fund Balance - Nonmajor Governmental Funds
For the Year Ended April 30, 2019

	<u>Special Revenue Fund Type</u>				Total Nonmajor Governmental Funds
	Recreation	Motor Fuel	Debt Service	Route 83 Debt Service	
<u>Revenues</u>					
Taxes					
Property	\$ 230,000	\$ -	\$ -	\$ -	\$ 230,000
Motor Fuel	-	552,874	-	-	552,874
Sales	-	-	-	-	1,312,224
Charges for Services	423,920	-	861,827	450,397	423,920
Interest	-	-	-	-	5,836
Total Revenues	653,920	558,710	861,827	450,397	2,524,854
<u>Expenditures</u>					
Current					
Street & Sidewalk Maintenance	-	385,366	-	-	385,366
Wellness Center	748,275	-	-	-	748,275
Debt Service	-	-	798,550	54,859	853,409
Total Expenditures	748,275	385,366	798,550	54,859	1,987,050
Excess (Deficiency) of Revenues Over (Under) Expenditures	(94,355)	173,344	63,277	395,538	537,804
<u>Other Financing Sources (Uses)</u>					
Transfers In	92,500	-	-	-	146,965
Total Other Financing Sources (Uses)	92,500	-	-	-	146,965
Net Change in Fund Balance	(1,855)	173,344	63,277	450,003	684,769
Fund Balance, Beginning of the Year	(8,179)	1,160,419	466,796	-	1,619,036
Fund Balance, End of the Year	\$ (10,034)	\$ 1,333,763	\$ 530,073	\$ 450,003	\$ 2,303,805

Village of Crestwood, Illinois

Recreation Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2019

	Original & Final Budget	Actual	Variance From Final Budget Over (Under)
<u>Revenues</u>			
Property Tax	\$ 230,000	\$ 230,000	\$ -
Charges for Services			
Program Revenue and Dues	407,000	407,420	420
Facility Rental	18,000	15,518	(2,482)
Miscellaneous	6,000	982	(5,018)
Total Revenues	661,000	653,920	(7,080)
<u>Expenditures</u>			
Current			
Recreation			
Wellness Center	754,600	748,275	(6,325)
Total Expenditures	754,600	748,275	(6,325)
Excess (Deficiency) of Revenues Over (Under) Expenditures	661,000	(94,355)	(755,355)
<u>Other Financing Sources (Uses)</u>			
Transfer from General Fund	90,000	92,500	2,500
Net Change in Fund Balance	<u>\$ (3,600)</u>	<u>\$ (1,855)</u>	<u>1,745</u>
Fund Balance, Beginning of the Year		(8,179)	
Fund Balance, End of the Year		<u>\$ (10,034)</u>	

Village of Crestwood, Illinois

Motor Fuel Tax Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2019

	Original & Final Budget	Actual	Variance From Final Budget Over (Under)
<u>Revenues</u>			
Motor Fuel Tax	\$ 300,000	\$ 552,874	\$ 252,874
Interest	-	5,836	5,836
Total Revenues	300,000	558,710	258,710
<u>Expenditures</u>			
Current			
Street & Sidewalk Maintenance	1,093,000	385,366	(707,634)
Net Change in Fund Balance	<u>\$ (793,000)</u>	173,344	<u>\$ 966,344</u>
Fund Balance, Beginning of the Year		1,160,419	
Fund Balance, End of the Year		<u>\$ 1,333,763</u>	

Village of Crestwood, Illinois

Debt Service Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2019

	Original & Final Budget	Actual	Variance From Final Budget Over (Under)
<u>Revenues</u>			
Sales Tax	\$ 800,000	\$ 861,827	\$ 61,827
<u>Expenditures</u>			
Current			
Miscellaneous	1,450	-	(1,450)
Debt Service	798,550	798,550	-
Total Expenditures	800,000	798,550	(1,450)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	63,277	63,277
<u>Other Financing Sources</u>			
Net Change in Fund Balance	\$ -	63,277	\$ 63,277
Fund Balance, Beginning of the Year		466,796	
Fund Balance, End of the Year		\$ 530,073	

Village of Crestwood, Illinois

Route 83 Debt Service Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2019

	Original & Final Budget	Actual	Variance From Final Budget Over (Under)
<u>Revenues</u>			
Income Tax	\$ -	\$ 450,397	\$ 450,397
<u>Expenditures</u>			
Current			
Debt Service	-	54,859	54,859
Total Expenditures	-	54,859	54,859
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	395,538	395,538
<u>Other Financing Sources</u>			
Transfers In	-	54,465	54,465
Net Change in Fund Balance	\$ -	450,003	\$ 450,003
Fund Balance, Beginning of the Year		-	
Fund Balance, End of the Year		\$ 450,003	

Village of Crestwood, Illinois

Water and Sewer Fund

Schedule of Revenues, Expenditures, and Changes in

Net Position - Budget and Actual

For the Year Ended April 30, 2019

	Original & Final Budget	Actual	Variance From Final Budget Over (Under)
<u>Operating Revenues</u>			
Charges for Services			
Water and Sewer	\$ 3,437,500	\$ 3,171,176	\$ (266,324)
Penalties	52,000	57,270	5,270
Tap-In and Connection Fees	8,000	16,000	8,000
Capital Improvements	588,500	545,050	(43,450)
Miscellaneous	25,000	28,588	3,588
Total Revenues	<u>4,111,000</u>	<u>3,818,084</u>	<u>(292,916)</u>
<u>Operating Expenses</u>			
Operations	12,516,500	3,036,176	(9,480,324)
Depreciation	-	685,477	685,477
Total Operating Expenses	<u>12,516,500</u>	<u>3,721,653</u>	<u>(8,794,847)</u>
Operating Income (Loss)	<u>(8,405,500)</u>	<u>96,431</u>	<u>8,501,931</u>
<u>Nonoperating Revenues</u>			
Loan Proceeds	8,000,000	-	(8,000,000)
Interest Income	100	251	151
Total Nonoperating Revenues	<u>8,000,100</u>	<u>251</u>	<u>(7,999,849)</u>
Change in Net Position	<u>\$ (405,400)</u>	<u>96,682</u>	<u>\$ 502,082</u>
Net Position, Beginning of the Year, as restated		<u>19,315,834</u>	
Net Position, End of the Year		<u>\$19,276,136</u>	

Supplementary Information



HEARNE & ASSOCIATES, P.C.

Certified Public Accountants & Business Consultants

David J. Hearne, Jr., CPA (1928-2014) Founder
Phillip M. Hearne, CPA
Anthony M. Scott, CPA
John C. Williams, CPA, MST

Matthew R. Truschka, Acct.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE REQUIREMENTS
APPLICABLE TO TAX INCREMENT FINANCING DISTRICTS**

November 8, 2019

Honorable Mayor and
Board of Trustees
Village of Crestwood, Illinois

We have examined management's assertion, included in its representation letter dated November 8, 2019 that the Village of Crestwood, Illinois (Crestwood) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended April 30, 2019. Management is responsible for the Village's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Village's compliance with statutory requirements.

In our opinion, management's assertion that the Village of Crestwood, Illinois complied with the aforementioned requirements for the year ended April 30, 2019 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Mayor, the Board of Trustees, management of the Village, the Illinois State Comptroller's Office and the joint review boards and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Hearne & Associates, P.C.
Certified Public Accountants

Village of Crestwood, Illinois
Schedule of Assessed Valuations, Tax Rates, Tax Extensions,
Tax Collections and Taxes Receivable
Tax Levies for Last Three Levy Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>Equalized Assessed Valuations</u>	\$ 313,550,663	\$ 319,083,225	\$ 286,035,964
<u>Tax Rates</u>			
General Fund	.4898	.4707	.5252
Recreation Fund	<u>.0772</u>	<u>.0703</u>	<u>.0638</u>
	.5670	.5410	.5890
<u>Tax Extensions</u>	\$ 1,777,832	\$ 1,726,240	\$ 1,684,173
<u>Taxes Collections</u>	\$ 870,190	\$ 1,627,060	\$ 1,561,239
<u>Taxes Receivable at 4-30-2019</u>	\$ 898,765	\$ 0	\$ 0
<u>Percentage of Extension Collected</u>	47.14%	94.25%	92.7%

Statistical Section

Village of Crestwood
Schedule of Direct and Overlapping Debt
As of April 30, 2019

	(1) 2018 Equalized Assessed Valuation	(2) General Obligation Debt Outstanding	Percentage Applicable To Village	Amount Applicable to Village
Overlapping Debt				
Cook County	158,584,064,770	\$ 2,950,121,750	0.20%	\$ 5,832,948
South Cook County Mosquito Abatement	18,206,913,581	0	1.72%	0
Metropolitan Water Reclamation District	155,788,046,903	1,854,905,000	0.20%	3,733,320
Crestwood Public Library	291,598,804	0	100.00%	0
Moraine Valley Community College District 524	10,129,709,671	57,750,000 (5)	3.10%	1,787,569
Oak Lawn Community High School District 218	2,299,807,846	44,045,000 (4)	13.63%	6,004,997
School District 130	525,550,317	5,237,710	59.66%	3,124,891
Town of Worth	3,238,899,539	0	0.00%	0
Town of Bremen	1,649,418,714	0 (5)	0.00%	0
Cook County Forest Preserve	158,584,064,770	101,200,000 (4)	0.23%	231,546
Subtotal, overlapping debt		5,013,259,460		20,715,271
Direct Debt				
Village of Crestwood	313,550,663	0 (6)	100.00%	0
Total Direct and Overlapping Debt		<u>\$ 5,013,259,460</u>		<u>\$ 20,715,271</u>
		Population of Village (3)		<u>11,029</u>
		Per Capita Debt		<u>\$ 1,878</u>

- (1) Source: Cook County Clerk - Agency equalized valuation report for tax year 2018
- (2) Source: Cook County Treasurer - Taxing district financial statements - Most recent audit report on file for that agency
- (3) Current estimate based on the 2010 Census
- (4) Excludes principal amounts of outstanding General Obligation (Alternative Revenue Source) Bonds which are expected to be paid from sources other than general taxation. Excludes self-supporting bonds. Excludes debt certificates and TIF bonds. Includes original principal amounts of outstanding Capital Appreciation Bonds.
- (5) Excludes General Obligation limited tax debt bonds paid from sources other than general taxation
- (6) Pursuant to the Debt Reform Act, bonds issued as alternative revenue bonds do not count against a governmental entity's statutory debt limit so long as the debt service is abated annually. With respect to the Village of Crestwood all bonds issued are alternative revenue bonds.