

Village of Carpentersville, IL



Comprehensive Annual Financial Report

Fiscal Year Ended
April 30, 2015



VILLAGE OF CARPENTERSVILLE, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2015

Prepared by the Finance Department

Hitesh Desai
Finance Director

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INTRODUCTORY SECTION

PRINCIPAL OFFICIALS

APRIL 30, 2015

Village President

Edward Ritter

Village Manager

J. Mark Rooney

Board of Trustees

Don Burroway

Paul Humpfer

Kevin Rehberg

Patricia Schultz

Virginia Stephens

Kay Teeter

Village Clerk

Therese Wilde

Department Directors

Bob Cole, *Director of Public Works*

Hitesh Desai, *Director of Finance*

Kevin Goethals, *Director of Information Technology*

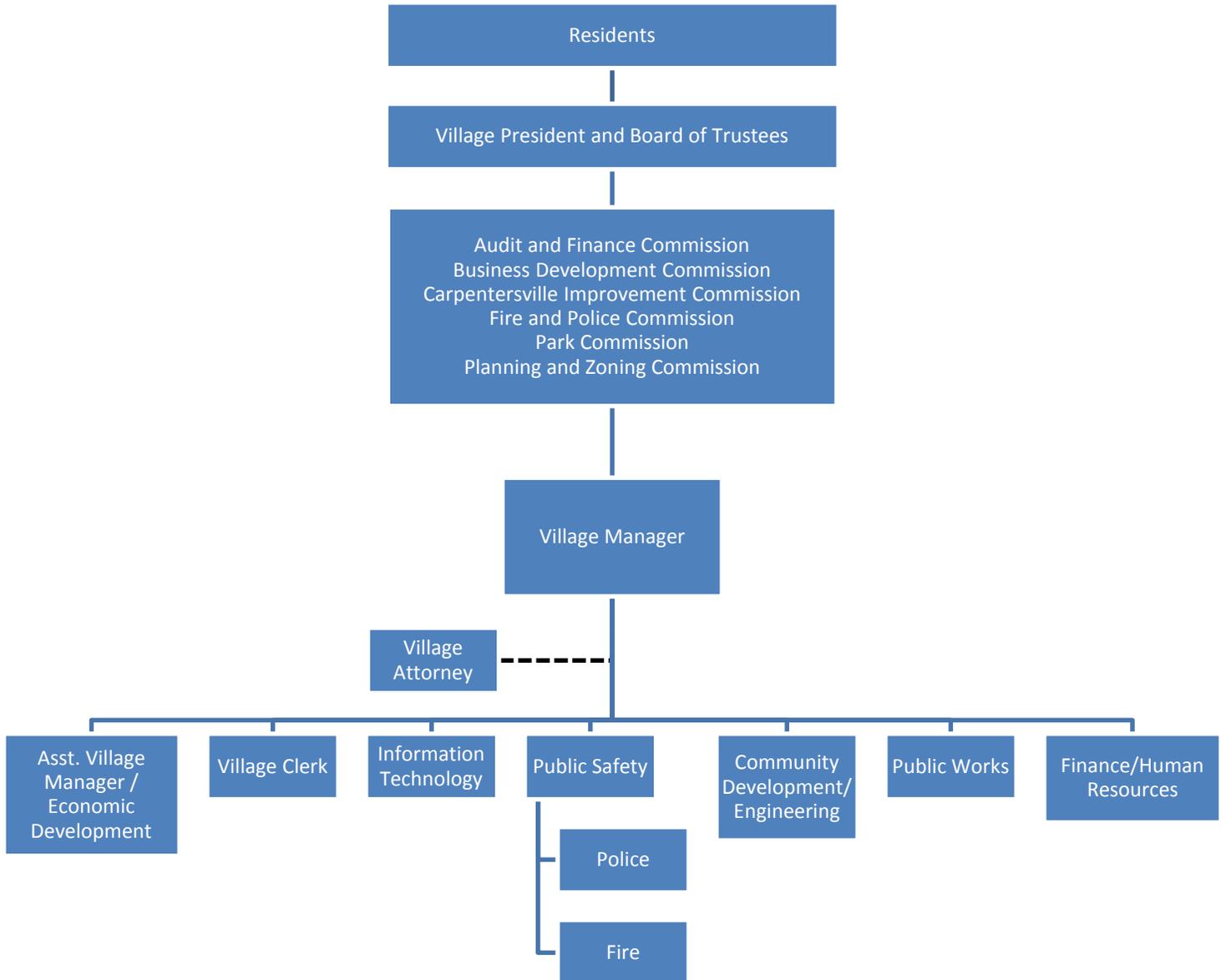
Marc Huber, *Director of Community Development*

Sean McGovern, *Assistant to the Village Manager*

Alan Popp, *Director of Public Safety*

Joe Wade, *Assistant Village Manager/Director of H.R.*

ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**Village of Carpentersville
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2014

Executive Director/CEO



1200 LW Besinger Drive • Carpentersville, IL 60110
Phone: (847) • Fax: (847) 551-9278

September 30, 2015

To the Honorable Village President, Village Clerk, Trustees and Residents of the Village of Carpentersville:

The Comprehensive Annual Financial Report of the Village of Carpentersville for the year ended April 30, 2015 is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the Village issue an annual report on its financial position and activity presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants.

This report consists of management's representations concerning the finances of the Village of Carpentersville. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village of Carpentersville's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Carpentersville for the fiscal year ended April 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the fiscal year ended April

30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

Profile of the Village of Carpentersville

The Village of Carpentersville, incorporated in 1887, is located in the northwest suburbs of Chicago, just minutes from the Golden Corridor, I-90 Jane Addams Tollway with 3 full access interchanges at Route 25, Route 31, and Randall Road. It currently occupies 9 square miles and serves a population of 38,196. The town has grown from the industrial riverfront community with major expansions occurring in the 1960's moving east and 2000's moving west. Carpentersville has a diverse housing stock from affordable to high end homes. The Village of Carpentersville is empowered to levy a property tax on real property located within its boundaries. The Village is also empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The Village of Carpentersville operates under the Council- Manager form of government. Policymaking and legislative authority are vested in the Village Board, which consists of a president and six trustees, all of whom are elected at large. Board members serve four-year terms, with three trustees elected every two years. The Board appoints the Village Manager to oversee the administrative operations, who in turn appoints the heads of various departments.

The Village of Carpentersville provides a full range of services, including police and fire protection; Ambulance service for emergency medical situations; design, construction and maintenance of roads, streets and infrastructure; water distribution; storm and sanitary sewer system maintenance and repair; fleet services; community and economic development and planning; building inspections; licenses and permits; social services; and general and financial administration and services.

The Village Board is required to adopt a final budget no later than the close of the prior fiscal year. This annual budget serves as the foundation for financial planning and control. The budget is prepared by fund, function (e.g. public safety), and department (e.g. police). The Village Manager may transfer resources between departments, programs or line items within the same fund without Board approval. Transfers that increase the total fund budget require special approval from the Village Board.

As demonstrated by the statements and schedules included in the financial section of this report, the Village continues to meet its responsibility for sound financial management.

Major Initiatives

The Village staff, following specific directives from the Village Board and the Village Manager, has been involved in a variety of projects throughout the 2014-15 fiscal year, projects which reflect the Village's commitment towards its citizens to provide them best possible services. Some of the major projects are detailed below:

- Restructured the Administration Department, Finance Department, and the Human Resources Division resulting in increased efficiency and savings.
- Completed tax increment financing analysis and application and Zoning process for Walmart Supercenter.
- Issued GO Bonds Series 2014 (\$10M for Infrastructure projects) and GO Refunding Series 2015A (IEPA Loan refunding) Bonds with a competitive rate resulting in lower annual debt service and gross savings.
- Continued safety initiatives contributed to an overall 10% decrease in liability insurance, renewal costs and increase in coverage limits.
- Supervised and assisted with the contracted Leak Survey including a total of 126 miles of water main inspection.
- The first Citizen Fire Academy Program was successfully conducted in the fall of 2014 resulting in enhanced Fire safety and public education awareness.
- 13 streets totaling 4.4 lane miles were paved through "in-house" ground and overlay program.
- Obtained approval of grants in the amount of \$1.2M for the various projects including Abandoned Residential Property Municipality Relief Program, phase III construction costs of the 2014 MFT/CDBG Resurface Program, phase III construction costs for 2015 LAFO Sleepy Hollow Road Improvement Project and Section 319 Grant program for Carpenter Creek floodplain and restoration.
- Completed the following public construction projects:
 - 2013 MFT/CDBG Resurface Program (**)
 - 2014 Sidewalk Replacement Program (**)
 - 2014 MFT West Side Resurface Program (**)
 - 2014 Village Wide Resurface Program (**)
 - Maple Avenue Reconstruction Project

** = in-house construction management and inspection

- The Police Department successfully implemented the local DUI Prosecution program and equipped/trained officers to use “Narcan” to potentially rescue and resuscitate an individual suffering from Narcotic overdose.

Local economy

A skilled and diverse area workforce supports healthy manufacturing areas within Carpentersville and the Village has actively supported industrial development. Because of its location in a region with a varied economic base, unemployment had been relatively stable until the effect of the recession was felt in 2009 (12.9%). However, the Village’s unemployment rate saw a significant decline to its’ lowest rate since 2008 in FY 2015 (5.8%).

State shared sales tax revenue is the Village’s one of the largest single revenue source which supports governmental activities. Knowing this, the Village is very diligent in supporting the measures which have a positive impact on these revenues which are critical to supporting the delivery of basic government services. The Village has an open economic assistance policy that allows it to work with businesses and has offered development assistance in the form of sales tax rebates and tax increment financing districts where appropriate to assist in attracting new businesses. The Village has recently cleared all approvals for Walmart Store to open in 2016 summer. At the same time, the Village is in the process of creating a new TIF (Tax Increment Financing) District. This would also help the economic development efforts in the Village of Carpentersville.

Long-term financial planning and major initiatives

The Village has a detailed multi-year Capital Improvement Program (CIP). The Village of Carpentersville hired Baxter & Woodman, Inc. to work with Village staff to update the Village’s Capital Improvement Plan (CIP). This CIP Update includes:

1. Pavement condition ratings, rehabilitation strategies and repair costs for every street section (block) maintained by the Village, and
2. Descriptions and budgetary cost estimates for specific projects included in the CIP.

As a part of the budget preparation process, the CIP will be reviewed and updated annually.

In 2014, the Village Board authorized issue of G.O. (General Obligation) Bonds in the amount not exceeding \$10M to fund projects including Route 31 & Huntley, Huntley Road improvements, L.W. Besinger Drive reconstruction, Main/Washington street improvements, Newport Cove resurfacing, Washington Street Culvert replacement and several other improvements.

Historically, the Capital Projects Fund has been funded by bond issues, grant funding or surpluses generated by the General Fund. The Village is currently reviewing long-term planning options to allow for a direct revenue source to supplement the Capital Projects Fund needs.

Relevant financial policies

The Village Board passed a set of financial management policies last year to work as an effective tool for internal controls and fiscal discipline. One of the financial policies establishes minimum fund balance levels for the General Fund, the main operating fund of the Village. As of April 30, 2015, the fund balance in the General Fund totaled \$7,350,457, representing approximately 28% of total general fund expenditures, just above the minimum total fund balance requirement of 25%. Of this amount, \$6,262,055 (24%) was unassigned and available to fund future programs and services.

The Village recently updated an investment policy that establishes certain parameters for investing Village funds. The policy outlines the type of investments the Village may purchase and creates various guidelines related to diversification, maturities, collateralization, and internal controls.

Cash temporarily available for investment during the year was parked in local bank certificates of deposit, the Illinois Metropolitan Investment Fund (IMET) and the Illinois State Treasurer's pool (Illinois Funds). The maturities of the investments range from being immediately accessible (Illinois Funds / IMET) to 1 year (certificates of deposit). Recently, the Village has started investing in Marketable CD's and bonds of units of local governments in Illinois.

The Village sponsors single-employer defined benefit pension plans for its police officers and firefighters. Each year, an independent actuary engaged by the Village and the pension plan calculates the amount of the annual contribution that the Village must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. The actuary calculates this obligation using two different methods, the Entry-Age Normal and the Projected Unit Credit Method. As a matter of policy, the Village funds each year's annual required contribution to the pension plan according to the Entry Age Normal method as determined by the actuary.

The Village also provides pension benefits for its non-public safety employees. These benefits are provided through a state-wide plan managed by the Illinois Municipal Retirement Plan (IMRF). The Village has no obligation in connection with employee benefits offered through this plan beyond its contractual payments to IMRF.

The capital asset policy, which requires that the Village maintain capital asset records to comply with governmental financial reporting standards, to provide a basis for determining appropriate insurable values, and to establish responsibility for property control. Capital assets include land, infrastructure, buildings, machinery, equipment, and vehicles with estimated useful life in excess of one year, subject to the capitalization threshold.

The Village has a Capital Equipment Replacement Fund (CERF) policy, which requires the Village to set aside funds each year for the eventual replacement of existing equipment and to avoid significant fluctuations in the operating budget from one year to the next. Annual contributions to the replacement fund ensure that sufficient funds exist to replace an item at the end of its useful life without having to borrow to cover those costs.

As required by GASB Statement no. 67, additional information regarding Net Pension Liability and related ratios, investment returns and employer contributions for Police and Fire Pension Funds has been provided in the Required Supplementary Information section of the Comprehensive Annual Financial Report.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to Village's that publish easily readable and efficiently organized CAFR's that satisfy both GAAP and applicable legal requirements. Last year, the Village received its first ever award for its 2013-14 Comprehensive Annual Financial Report. The Village hopes to continue getting this award every year for its annual audit report.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation especially to Katrina Hanna, Assistant Finance Director, and all other members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the President and the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Carpentersville's finances.

In addition, the Village wishes to recognize the staff of Sikich LLP, the Village auditors, and in particular Jim Savio and Anthony Cervini, whose professionalism and cooperation are sincerely appreciated by the Village and in particular by the staff of the Finance Department. It was truly a cooperative working relationship between Sikich LLP and the Village staff to ensure timely completion of the audit process.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "H. Desai", with a large, stylized initial "H" on the left and a long, sweeping underline.

Hitesh D. Desai
Finance Director

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT



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Naperville, Illinois 60563

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Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Carpentersville, 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 Carpentersville, Illinois (the Village) as of and for the year ended April 30, 2015 and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Carpentersville, Illinois, as of April 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The City adopted GASB Statement No. 67, *Financial Reporting for Pension Plans*, which modified certain disclosures in the notes to financial statements and the required supplementary information. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information 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's basic financial statements. The introductory section, combining and individual fund statements and schedules and statistical section as listed in the table of contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly

to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2015, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Naperville, Illinois
September 30, 2015

Handwritten signature of Sibair LLP in black ink.

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

As management of the Village of Carpentersville, we offer readers of the Village of Carpentersville's financial statements this narrative overview and analysis of the financial activities of the Village of Carpentersville for the fiscal year ended April 30, 2015. We encourage readers to consider the information presented here in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Village of Carpentersville exceeded its liabilities and deferred inflows of resources by \$119,371,280 (*net position*). Of this amount, \$5,998,481 is considered unrestricted net position, which may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position increased by \$3,848,381. Governmental activities net position increased by \$2,337,775 and business-type net position increased by \$1,510,606.
- On April 30, 2015, the Village's governmental funds reported combined fund balances of \$21,225,014, an increase of \$7,726,549 in comparison with the prior year. Approximately 28% of this amount (\$6,024,599) is available for spending at the Village's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$7,123,620, or approximately 27% of the general fund's expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. These financial statements consist of three parts: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to private-sector business.

The *statement of net position* presents financial information on all of the Village of Carpentersville's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *statement of activities* presents information showing how the Village of Carpentersville's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation time).

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

Both the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities reflect the Village's basic services, including police, fire, public works, community development, culture/recreation and general government. The business-type activities of the Village include a Water and Sewer operation.

The government-wide financial statements can be found on pages 4-7 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements allow the demonstration of compliance with finance-related legal requirements. The focus is on major funds, rather than fund types. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Village maintains sixteen (16) 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, Debt Service Fund, and the Capital Improvement Projects Fund, all of 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 statements elsewhere in this report.

The Village adopts an annual appropriated budget for its governmental and enterprise funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 8-12 of this report.

Proprietary Funds – The Village maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Village uses an enterprise fund to account for its Water and Sewer operations. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses an internal service fund to account for Health Insurance and Risk Management.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary fund financial statements present the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 13-17 of this report.

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

The Village maintains one type of fiduciary fund. The Police and Firefighters' pension funds are used to report resources held in trust for retirees and beneficiaries covered by the Police or Fire pension plans.

The fiduciary fund financial statements can be found on pages 18-19 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20-62 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information which include the general fund budgetary comparison schedule and information concerning the Village's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found on page 63-74 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found on pages 75-103 of this report.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

An analysis of the Village's financial position begins with a review of the Statement of Net position and the Statement of Activities. These two statements report the Village's net position and changes therein. It should be noted that the financial position could also be affected by non-financial factors, including economic conditions, population growth and new regulations.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

Government-wide Statements

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Carpentersville, assets exceeded liabilities by \$119,371,280 as of April 30, 2015. A summary of the Village's Statement of Net position is presented below in Table 1.

Table 1: Condensed Statements of Net Position

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Assets						
Current assets	40,534,942	31,177,950	9,832,857	6,884,124	50,367,799	38,062,074
Capital assets	100,626,084	97,066,922	49,834,551	49,413,381	150,460,635	146,480,303
Total Assets	141,161,026	128,244,872	59,667,408	56,297,505	200,828,434	184,542,377
Liabilities						
Current liabilities	7,909,483	4,891,809	3,330,035	1,516,625	11,239,518	6,408,434
Long-term liabilities	40,529,632	34,859,244	16,316,417	16,270,530	56,846,049	51,129,774
Total Liabilities	48,439,115	39,751,053	19,646,452	17,787,155	68,085,567	57,538,208
Deferred Inflows of Resources						
Unavailable property taxes	13,371,587	12,775,328	-	-	13,371,587	12,775,328
Total Deferred inflow s	13,371,587	12,775,328	-	-	13,371,587	12,775,328
Total Liabilities and Deferred Inflow s	61,810,702	52,526,381	19,646,452	17,787,155	81,457,154	70,313,536
Net Position						
Net investment						
in capital assets	74,204,672	69,709,654	34,242,241	33,383,375	108,446,913	103,093,029
Restricted	4,925,886	4,363,328	-	-	4,925,886	4,363,328
Unrestricted	219,766	1,645,509	5,778,715	5,126,975	5,998,481	6,772,484
Total Net Position	\$79,350,324	\$75,718,491	\$40,020,956	\$38,510,350	\$119,371,280	\$114,228,841

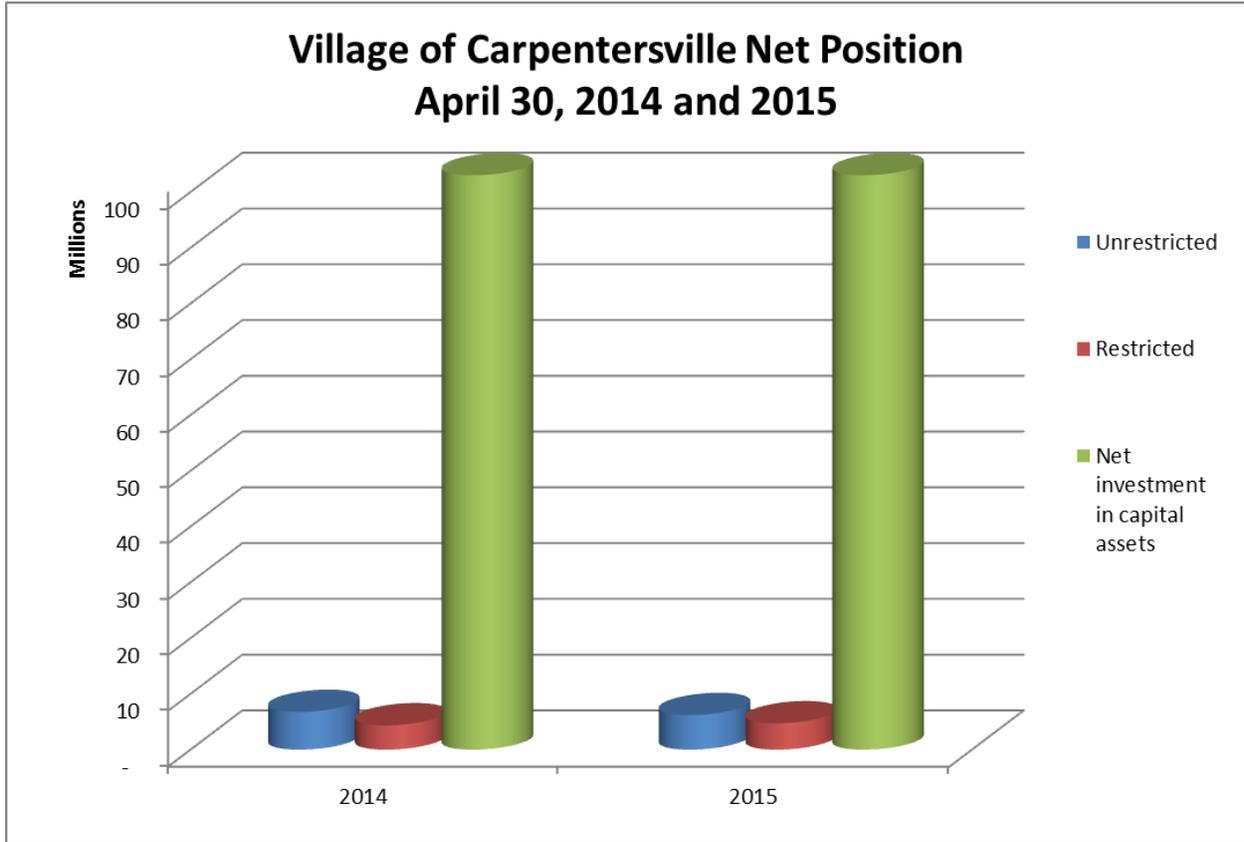
The largest portion of the Village's net position (90.8%) reflects its investment in capital assets (e.g., land, buildings and improvements, machinery and equipment, and infrastructure), less any debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Village's net position (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (5.2%) may be used to meet the government's ongoing obligation to citizens and creditors.

At the end of the current fiscal year, the Village reported positive balances in the unrestricted net position of governmental and business-type activities. The same situation held true for the prior fiscal year.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015



The Village's overall net position increased \$3,848,381 from the prior fiscal year. The reasons for the overall increase are discussed in the following sections for governmental activities and business-type activities.

The Statement of Net position shows the changes in financial position of net position. The specific nature or source of these changes then becomes more evident in the Statement of Activities as shown below in Table 2.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

Table 2: Condensed Statement of Activities

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues						
Charges for services	3,019,721	3,451,352	8,419,290	8,184,588	11,439,011	11,635,940
Operating grants and contributions	2,418,801	2,368,312	-	6,072	2,418,801	2,374,384
Capital grants and contributions	3,202,586	2,335,740	968,186	1,255,682	4,170,772	3,591,422
General Revenues						
Taxes						
Property taxes	12,712,189	12,153,210	-	-	12,712,189	12,153,210
Sales tax	7,014,499	5,894,346	-	-	7,014,499	5,894,346
Use tax	777,386	661,273			777,386	661,273
Utility tax	1,562,992	1,620,073	-	-	1,562,992	1,620,073
Local motor fuel	262,310	266,189			262,310	266,189
Telecommunications	704,682	771,680			704,682	771,680
Other taxes	113,746	68,578	-	-	113,746	68,578
Intergovernmental						
Income tax	3,691,253	3,672,843	-	-	3,691,253	3,672,843
Replacement tax	166,505	170,661	-	-	166,505	170,661
Investment income	(190,127)	46,941	(79,508)	12,488	(269,635)	59,429
Other/miscellaneous	520,791	529,558	75,222	274,609	596,013	804,167
Gain on sale of capital assets	22,032	24,946			22,032	24,946
Total Revenues	35,999,366	34,035,702	9,383,190	9,733,439	45,382,556	43,769,141
Expenses						
General government	3,068,941	3,463,699	-	-	3,068,941	3,463,699
Public safety	17,426,252	16,729,905	-	-	17,426,252	16,729,905
Public works	8,884,557	8,603,291	-	-	8,884,557	8,603,291
Community development	1,376,258	1,294,810	-	-	1,376,258	1,294,810
Culture and recreation	184,862	193,463	-	-	184,862	193,463
Waterworks and sewerage	-	-	7,872,584	7,962,573	7,872,584	7,962,573
Interest and fiscal charges	1,426,663	1,385,304	-	-	1,426,663	1,385,304
Total Expenses	32,367,533	31,670,472	7,872,584	7,962,573	40,240,117	39,633,045
Increase (Decrease) in Net Position						
Before Transfers	3,631,833	2,365,230	1,510,606	1,770,866	5,142,439	4,136,096
Transfers	-	1,159,903	-	(1,159,903)	-	-
Change in Net Position	3,631,833	3,525,133	1,510,606	610,963	5,142,439	4,136,096
Beginning Net Position	77,012,549	72,654,729	38,510,350	38,129,353	115,522,899	110,784,082
Prior period Adjustments	(1,294,058)	832,687	-	(229,966)	(1,294,058)	602,721
Net Position, Restated	75,718,491	73,487,416	38,510,350	37,899,387	114,228,841	111,386,803
Ending Net Position	\$79,350,324	\$77,012,549	\$40,020,956	\$38,510,350	\$119,371,280	\$115,522,899

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

Governmental Activities

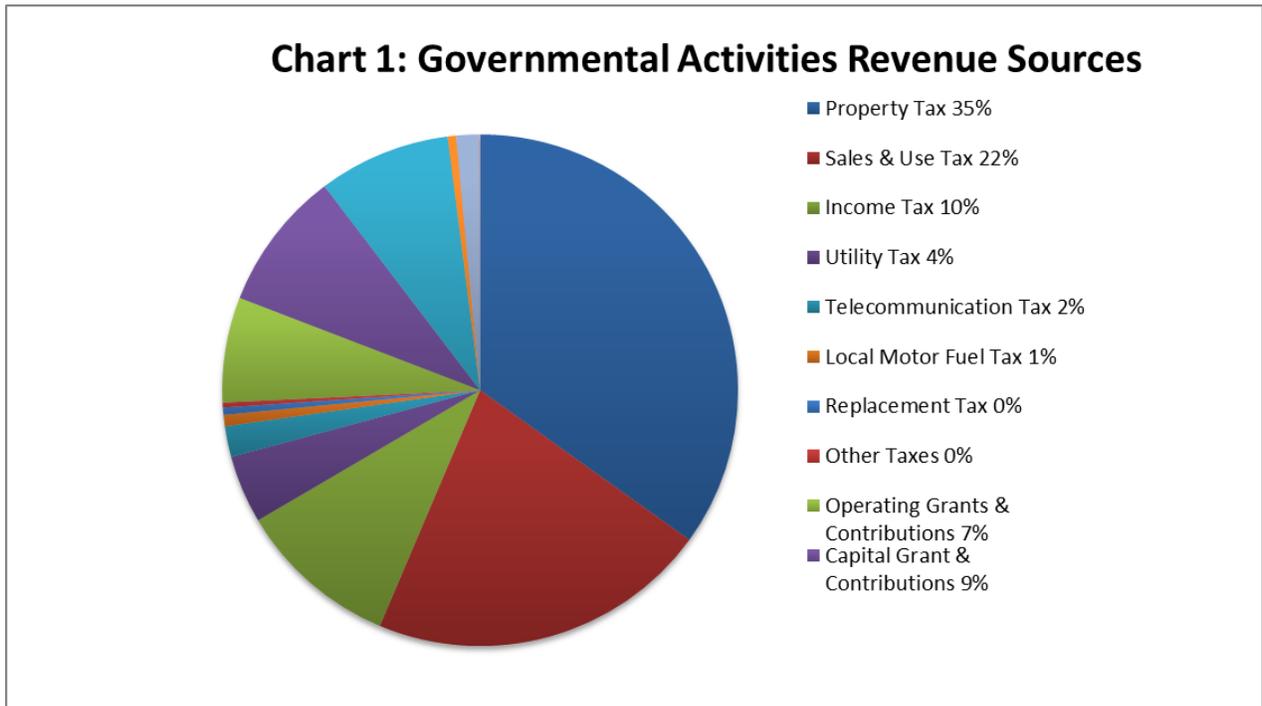
During the current fiscal year, net position for governmental activities increased \$2,337,775 from the prior fiscal year for an ending balance of \$79,350,324

Current Year Impacts

- ◆ Utility taxes decreased 3.5% over the prior year. The Village anticipated this decline as the previous fiscal year experienced a severely cold winter.
- ◆ Telecommunication taxes were down 8.68% from the prior year. The Village anticipates continued losses from this revenue source as the communication industry continues to evolve.
- ◆ Income taxes increased 0.5% over the prior year. Income tax has risen all of the previous four fiscal years as the economy continues to rebound from the decline of 2007.
- ◆ The municipal share of sales tax has increased 5.3% over the previous year. Home rule sales tax saw an increase of 32.4% over the previous year. Most of this increase is attributed to the 0.5% increase in tax that took effect July 2014.
- ◆ The Village continues to receive construction grants from the State of Illinois and Federal Government to mitigate construction costs.
- ◆ Historically low interest rates continue to generate low investment income.

Revenues

An analysis of the Village’s governmental activities revenue sources is presented below in Chart 1.



VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

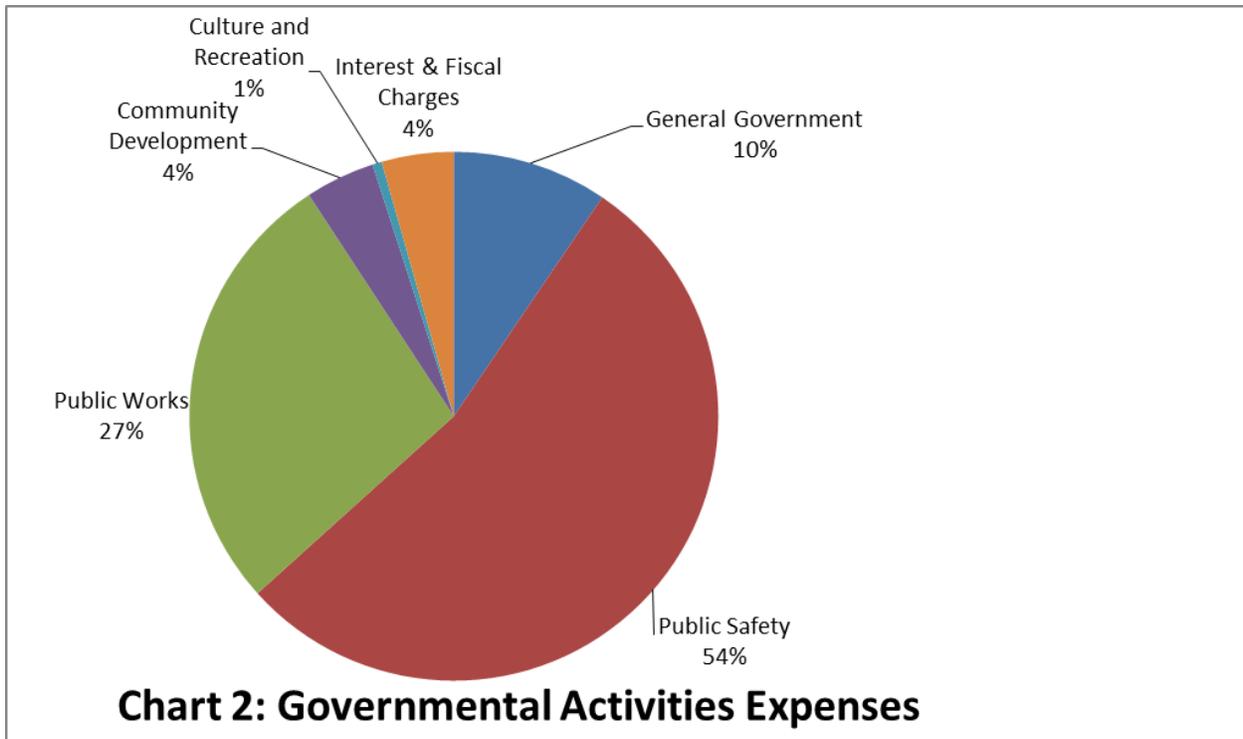
For the fiscal year ended April 30, 2015, revenues from governmental activities totaled \$35,999,366. Property taxes totaled \$12,712,189 representing 35% of total governmental funds’ revenue. Sales and use taxes account for 22% of revenue and local utility tax combined with state income tax represents 15% of total governmental activity revenue.

Property tax revenues increased from \$12,153,210 in fiscal year 2014 to \$12,712,189 in fiscal year 2015, an increase of \$558,979 or 4.6%. The Village experienced a 4.8% decrease in its rate setting equalized assessed valuation (EAV) from \$445,659,214 in tax year 2013 to \$424,108,468 in tax year 2014.

<u>Levy Year</u>	<u>Rate Setting EAV in Kane County</u>
2013	\$ 445,659,214
2014	\$ 424,108,468
Decrease	\$ 21,550,746
% Decrease	4.8%

Expenses

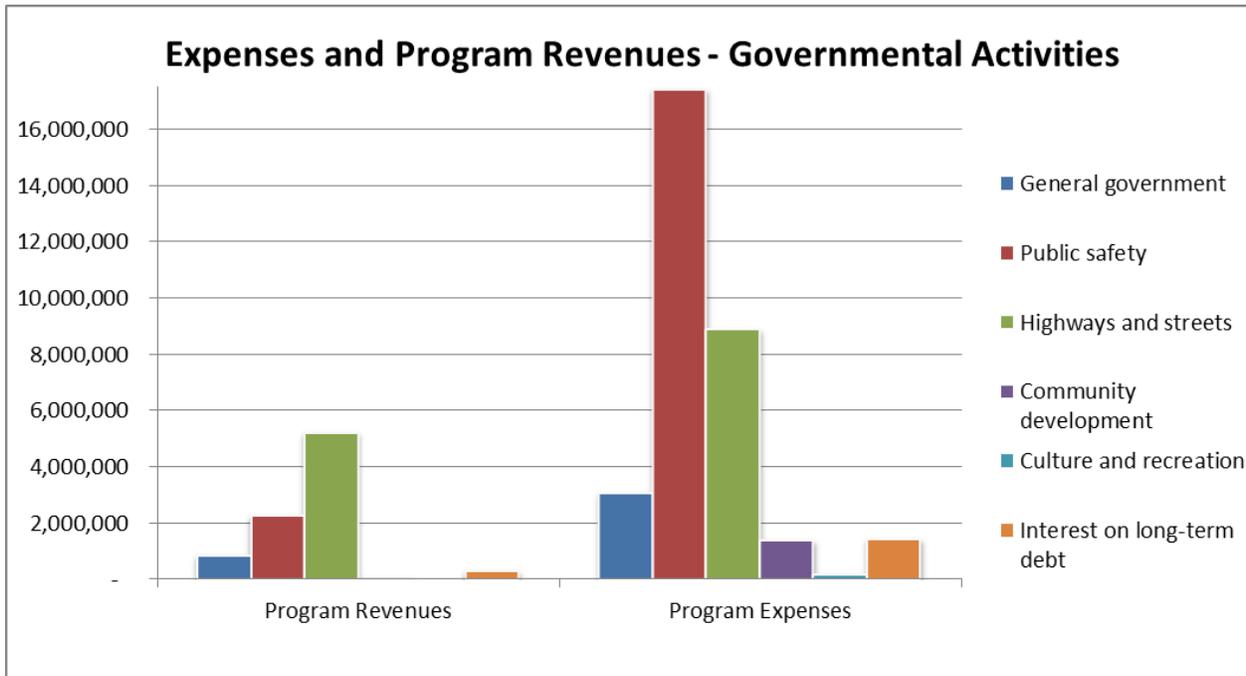
An analysis of the Village’s governmental activities expenses by category is presented below in Chart 2.



VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

For the fiscal year ended April 30, 2015 expenses from governmental activities totaled \$32,367,533. Public Safety and Public Works services account for 54% and 27% of all governmental activities expenses, respectively.



Business-Type Activities

During the current fiscal year, net position for business-type activities increased \$1,510,606 from the prior fiscal year for an ending balance of 40,020,956. This is the first increase in net position in a number of years and culminates a five year water/sewer rate study that provided for yearly rate increases in an effort to improve net position.

Current Year Impacts

- ◆ Operating expenses, including depreciation of \$2,244,220 were less than operating revenues by \$1,249,805.
- ◆ The Utility recognized \$766,425 in developer contributed assets (infrastructure) in FY 2015.
- ◆ Continued long-term meter replacement program, which is now approximately 83% complete.
- ◆ Water and sewer sales approximated budget.
- ◆ Expenses relating to operations and projects for Water and Wastewater departments came in under budget by \$2,270,210 because the sludge press has not been purchased yet.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

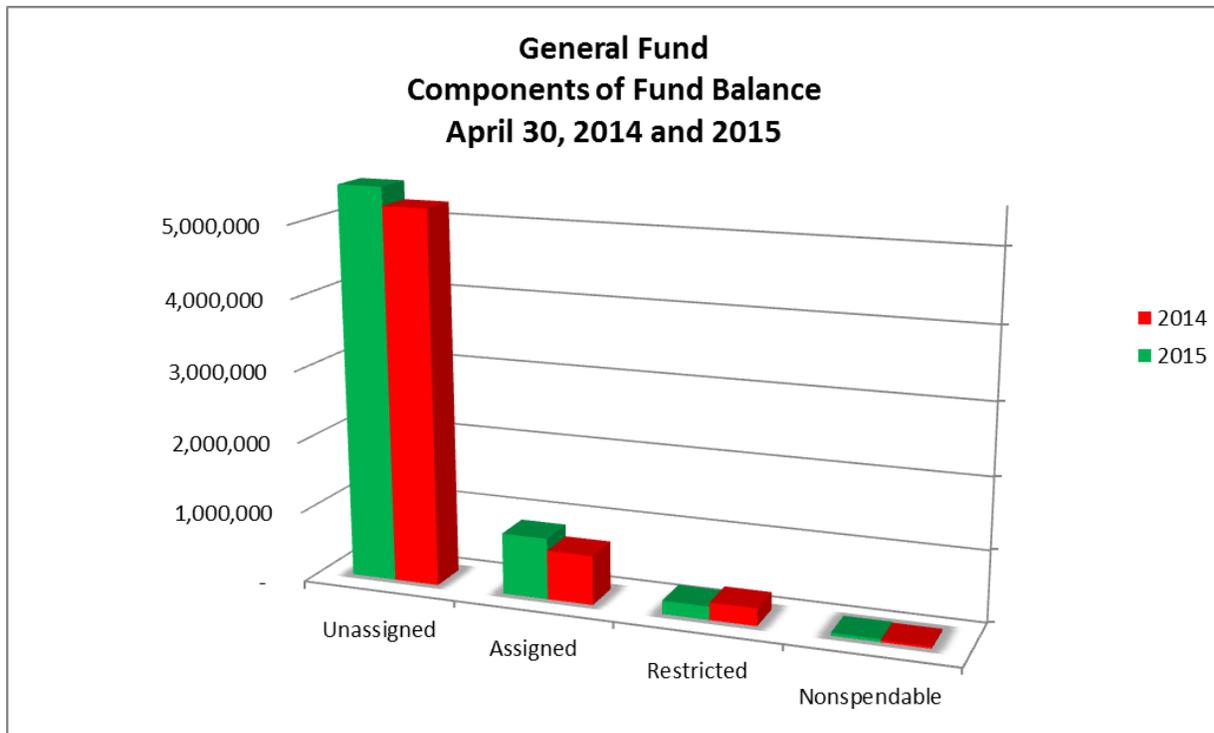
Financial Analysis of the Village Funds

As noted earlier, the Village of Carpentersville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Village's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Village of Carpentersville itself, or a group or individual that has been delegated authority to assign resources for use of particular purposes by the Village's Board.

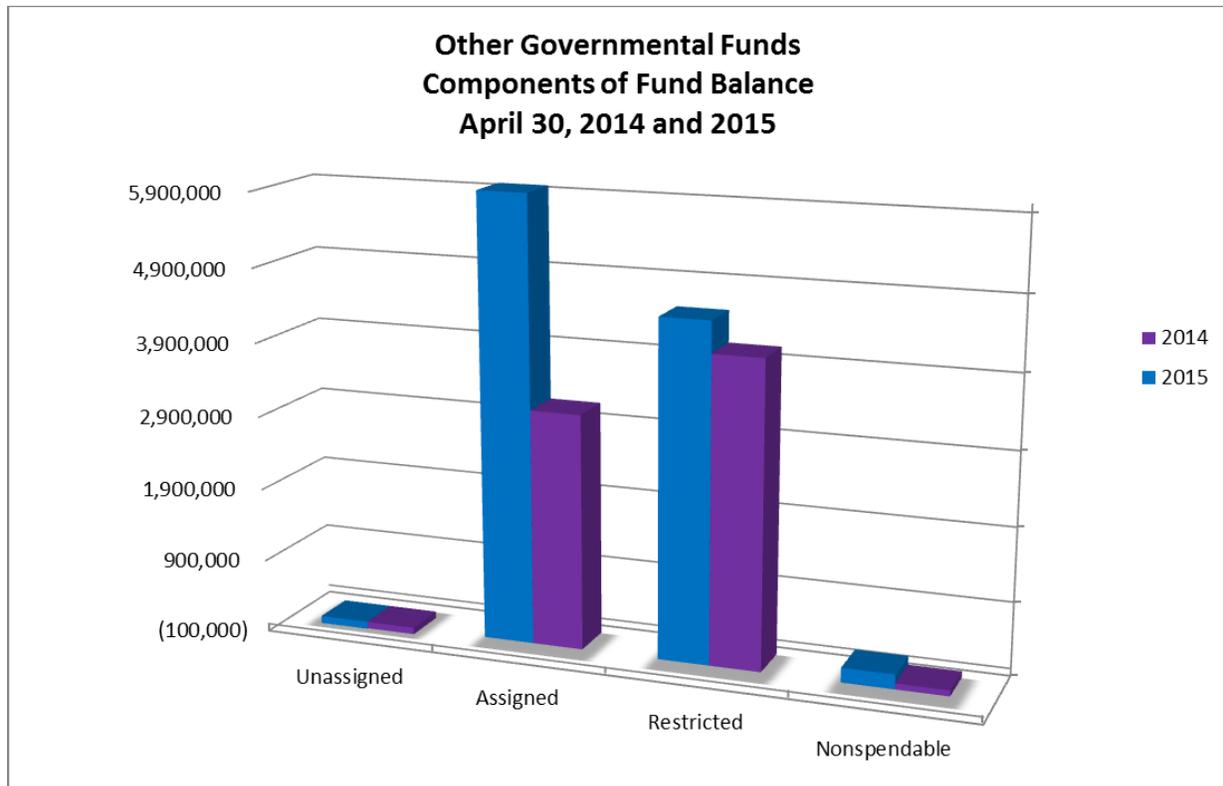
At April 30, 2015, the governmental funds reported a combined fund balance of \$21,225,014, which is a 57.2% increase from the beginning of the year of \$13,498,465. Approximately 28.4% of this amount (\$6,024,599) constitutes *unassigned fund balance*, which is available for spending at the Village's discretion. The remainder of the fund balance is either *nonspendable*, *restricted*, or *assigned* to indicate that it is 1) not in spendable form (\$40,038), 2) legally required to be maintained intact (\$13,152,558), 3) assigned for particular purposes (\$2,007,819).



VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

The General Fund is the Village’s primary operating fund and the largest source of day-to-day service delivery. At the end of the current fiscal year, unassigned fund balance of the general fund was \$6,262,055, while total fund balance increased to \$7,350,457. The total fund balance in the General Fund increased from \$6,210,566 in fiscal year 2014 to \$7,350,457 or 18.4% in fiscal year 2015. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 23.6% of total general fund expenditures, while total fund balance represents approximately 27.6% of that same amount. The increase in fund balance is largely due to Sales Tax, Use Tax, Video Gaming Revenues, and Cable Franchise Fees received being more than budgeted. The Finance and Administration departments restructuring resulted in a savings of approximately \$281,800.



The capital projects fund, a major fund, had an increase of \$5,941,262 during the current fiscal year. The large increase in fund balance was caused mainly by the issuance of long-term debt in late calendar year 2014. There was also a spend-down of the fund balance that resulted from the previous long-term debt issuance.

The Capital Improvement Project fund, a major governmental fund, was established when the Village sold bonds in June 2006. The Village later issued a \$10,000,000 bond in September 2008. The bond proceeds were spent on street improvements and water and sewer infrastructure upgrades, repair and replacement. The projects were determined by the Village’s engineering and public works departments. In August 2010, the Village sold a \$20,000,000 Build America Bond to continue funding the capital improvement project fund and construct a new Public Works facility. The Village sold bonds in 2014 for general capital improvements for \$9,560,000. The debt service for the 2006, 2008, and 2014 bonds is shared by the funds on a weighted basis, but the debt service for the 2010 bonds is funded entirely through the Village’s Property Tax levy.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

The debt service fund had a decrease in fund balance during the current year of \$107,272 to bring the year end fund balance to \$542,007. The decrease is the result of less impound fees collected than budgeted. Impound fees have not proven themselves to be a consistent enough revenue source to fund debt service.

Proprietary Funds

The Village of Carpentersville's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Waterworks and Sewerage Fund was \$5,778,715. At April 30, 2015 the proprietary funds' total net position increased by \$1,510,606, or 3.9%, from \$38,510,350 in 2014 to \$40,020,956 in 2015. Increases to water and sewer revenue outweighed expenses.

General Fund Budgetary Highlights

Original budget compared to final budget. During the year, there were 2 amendments to increase the original budgeted appropriations. The amendments were to carryover certain appropriations from the Fiscal Year 2014-15 that were not spent until Fiscal Year 2015 and to cover excess expenditures over appropriations at fiscal year-end for Fiscal Year 2015. There was also a need to make amendments to reallocate appropriations among departments towards the end of the fiscal year after reallocation of the costs. Overall, the movement of the appropriations between departments was *not* significant.

Fund budget compared to actual results. The most significant differences between estimated revenues were as follows:

Revenue Source	Estimated Revenues	Actual Revenues	Difference	% Difference
Property Tax - Fire Protection Dist	950,000	820,000	(130,000)	-13.68%
State Use Tax	660,000	777,386	117,386	17.79%
Personal Property Replacement Tax	145,000	166,505	21,505	14.83%
Cable Franchise Fees	350,000	404,324	54,324	15.52%
Permit Fees - Plumbing	45,000	31,424	(13,576)	-30.17%
Permit Fees - Other	84,600	56,203	(28,397)	-33.57%
Interest Income	20,000	(21,681)	(41,681)	-208.41%

Property taxes received from the Fire Protection District saw a decrease over the previous year due to a court order capping their tax levy and higher budgeted revenue. This number could go up with the rise in the overall EAV (Equalized Assessed Value). Income Tax and Local Use Tax receipts have been making a steady comeback over the last four fiscal years. Telecommunication Tax has seen a steady decrease over the past three fiscal years. In fiscal year 2014, a reimbursement to the state was required for funds distributed to the Village that have been reclaimed due to a law suit filed against a large telecommunication carrier. Staff foresees continued decline in the years to come.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

The reduction in impound fees and circuit court fines are a result of better compliance. The Village amended the budget for April 30, 2015 to reflect that reality. Interest income for the fiscal year was negative due to an unanticipated loss on an investment made through IMET (Illinois Metropolitan Investment Fund). The Village expects to recover some of the loss in the future fiscal years.

It has also been noted that the new construction activity continued to decline in the current fiscal year. Building, electrical, plumbing, other permits were \$70,624 less than budgeted in the current fiscal year. But, overall, permits issued in the current year were 3,667 compared to 2,992 in the prior year.

The most significant differences between budgeted expenditures were as follows:

Expenditure Type	Budgeted Expenditures	Actual Expenditures	Difference	% Difference
Information Technology	584,231	481,401	(102,830)	-17.60%
Administration	595,215	535,409	(59,806)	-10.05%
Police	10,835,512	10,598,068	(237,444)	-2.19%
Finance	1,848,431	1,622,062	(226,369)	-12.25%
Vehicle Maintenance	910,563	747,679	(162,884)	-17.89%
Streets	5,001,183	4,766,823	(234,360)	-4.69%

The Information Technology department did not spend all funds related to the Baecore project and the budget for those costs lapsed at the end of the fiscal year. Administration and Finance saw some savings due to a restructuring of both departments and the loss of a full-time employee in both departments. Unemployment costs were also significantly less than expected, which is budgeted in Finance. The Streets and Vehicle maintenance saw some savings on their salary budgets due to positions that were unfilled for part of the fiscal year, but fully staffed by the end of the fiscal year. Vehicle maintenance also recognized a fuel cost savings of \$93,068 compared to budget. Fuel costs steadily dropped during the fiscal year.

Capital Assets and Debt Administration

Capital assets. The Village's investment in capital assets net of related debt for its governmental and business-type activities as of April 30, 2015 amounts to \$108,446,913. The investment in capital assets includes land, buildings, equipment, underground distribution and collection systems, infrastructure, and construction work in progress. The Village experienced a slight increase of capital assets.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

Table 3: Capital Assets

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Land	2,727,533	2,727,533	1,249,761	1,249,761	3,977,294	3,977,294
Right of ways	11,809,913	11,809,913	-	-	11,809,913	11,809,913
Construction in Progress	1,187,733	1,679,366	776,141	233,330	1,963,874	1,912,696
Buildings	21,245,511	21,245,511	44,798,933	44,533,317	66,044,444	65,778,828
Vehicles	3,887,252	3,726,008	1,164,749	963,423	5,052,001	4,689,431
Equipment	2,815,224	2,815,177	862,281	750,183	3,677,505	3,565,360
Infrastructure	81,032,335	75,195,552	-	-	81,032,335	75,195,552
Water distribution system	-	-	40,501,915	38,995,434	40,501,915	38,995,434
Total Capital Assets	124,705,501	119,199,060	89,353,780	86,725,448	214,059,281	205,924,508
Less: Accumulated depreciation	(24,079,417)	(22,132,138)	(39,519,229)	(37,312,067)	(63,598,646)	(59,444,205)
Net Capital Assets	100,626,084	97,066,922	49,834,551	49,413,381	150,460,635	146,480,303

Major capital asset events during the current fiscal year included the following:

- ◆ The purchase of various vehicles and equipment for a cost of \$474,715.
- ◆ Developer and Capital Contributions of \$3,060,090
- ◆ Completion of the following road projects:
 - Tulsa & Kings Road
 - Golfview/Hazard/Monroe
- ◆ Acceptance of Winchester Glen Phase 2C
- ◆ Completed construction of Maple Avenue
- ◆ Began construction of Route 31 & Huntley and the Carpenter Creek Stormwater project

Additional information on the Village's capital assets can be found in Note 4 on pages 31-32 of this report.

Long-term Debt. The Village currently has five General Obligation Bond series and one Illinois EPA loan outstanding. Total general obligation debt is \$49,565,000, of which \$34,149,760 is attributed to governmental activities and \$15,415,240 is attributed to business-type activities. The Village's loan from the Illinois Environmental Protection Agency for construction and engineering on the dewatering project carries an outstanding principal balance of \$623,404 and is a liability of the Waterworks and Sewerage fund. As of April 30, 2015, as the Waterworks and Sewerage fund was still drawing on the loan amounts, the repayment hasn't started yet.

The Village, under its home rule authority, does not have a legal debt limit and carries moderate debt burdens. The Village's current bond rating is Aa2.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2015

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Bonds and notes payable						
General obligation bonds	34,149,760	27,069,650	15,415,240	6,380,350	49,565,000	33,450,000
IEPA loan	-	-	623,404	9,596,350	623,404	9,596,350
Capital leases	59,450	177,000	-	-	59,450	177,000
Promissory note	-	57,312	-	-	-	57,312
Premium on bonds payable	535,744	53,306	814,050	53,305	1,349,794	106,611
Other liabilities						
Vested compensated absences	1,026,422	940,970	210,634	203,889	1,237,056	1,144,859
Early retirement incentives	-	120,000	-	12,000	-	132,000
Net pension obligation	4,742,695	4,361,702	-	-	4,742,695	4,361,702
Other postemployment benefits	1,857,446	1,628,767	53,816	24,636	1,911,262	1,653,403
Insurance claims payable	419,636	450,537	-	-	419,636	450,537
Total	42,791,153	34,859,244	17,117,144	16,270,530	59,908,297	51,129,774

Additional information on the Village's long-term debt can be found in the Note 5 on pages 32-36 of this report.

Economic factors and next year's budget

On July 15, 2014, the Village Board amended the Village Municipal Code to change the Village's fiscal year. Effective May 1, 2015, the fiscal year of the Village will be the first day of May through the last day of December in the same calendar year. Effective January 1, 2016, the fiscal year of the Village will coincide with the calendar year. As such, the Village passed an 8-month budget for the time period of May 1, 2015 to December 31, 2015.

The following economic factors currently affect the Village of Carpentersville and were considered in developing the December 31, 2015 (8-month) fiscal year budget.

- The unemployment rate for the Village of Carpentersville is currently 5.8%, which is a decrease from the rate of 9.9% a year ago. While the unemployment rate is likely to decrease, it is not expected to reach the pre-recession level in near future.
- A 3% increase in water and sewer rates beginning on August 1, 2015 in an effort to cover operating expenditures in the Enterprise Funds.
- A property tax rate increase of 4.8% to fund increases in recurring expenditure obligations.
- On the expenditure side, increases are expected in contracted union positions, health insurance premiums, as well as pension and other employee benefit costs.
- The Village of Carpentersville continues to be self-insured for General Liability and Worker's Compensation losses.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Hitesh Desai, Finance Director, Village of Carpentersville, 1200 L. W. Besinger Drive, Carpentersville, Illinois 60110.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2015

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 22,289,119	\$ 8,269,745	\$ 30,558,864
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	13,371,587	-	13,371,587
Other taxes	2,866,180	-	2,866,180
Accounts	301,801	1,224,881	1,526,682
Accrued interest	1,515	1,077	2,592
Other	823,123	-	823,123
Prepaid expenses	388,439	7,771	396,210
Due from other governments	499,924	322,637	822,561
Due (to) from other funds	(6,746)	6,746	-
Capital assets			
Not depreciated	15,725,179	2,025,902	17,751,081
Depreciated (net of accumulated depreciation)	84,900,905	47,808,649	132,709,554
Total assets	141,161,026	59,667,408	200,828,434
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	141,161,026	59,667,408	200,828,434

(This statement is continued on the following page.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2015

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable	\$ 4,085,337	\$ 1,892,243	\$ 5,977,580
Unclaimed Property	360	-	360
Retainage payable	22,228	48,271	70,499
Accrued payroll	509,104	88,400	597,504
Unclaimed property	-	213	213
Unearned revenue	39,625	26,300	65,925
Accrued interest payable	533,937	165,507	699,444
Due to other governments	-	-	-
Deposits payable	457,371	308,374	765,745
Long-term liabilities			
Due within one year	2,261,521	800,727	3,062,248
Due in more than one year	40,529,632	16,316,417	56,846,049
Total liabilities	48,439,115	19,646,452	68,085,567
DEFERRED INFLOWS OF RESOURCES			
Deferred property taxes	13,371,587	-	13,371,587
Total deferred inflows of resources	13,371,587	-	13,371,587
Total liabilities and deferred inflows of resources	61,810,702	19,646,452	81,457,154
NET POSITION			
Net investment in capital assets	74,204,672	34,242,241	108,446,913
Restricted for			
Police department programs	64,380	-	64,380
Asset forfeiture	186,941	-	186,941
Motor fuel tax	1,021,369	-	1,021,369
Parks	382,295	-	382,295
Public improvements	2,706,045	-	2,706,045
Fire purposes	22,849	-	22,849
Debt service	542,007	-	542,007
Unrestricted	219,766	5,778,715	5,998,481
TOTAL NET POSITION	\$ 79,350,324	\$ 40,020,956	\$ 119,371,280

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2015

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 3,068,941	\$ 852,819	\$ -	\$ -
Public safety	17,426,252	1,409,904	858,722	-
Public works	8,884,557	749,638	1,268,123	3,202,586
Community development	1,376,258	7,360	-	-
Culture and recreation	184,862	-	-	-
Interest	1,426,663	-	291,956	-
Total governmental activities	32,367,533	3,019,721	2,418,801	3,202,586
Business-Type Activities				
Waterworks	7,872,584	8,419,290	-	968,186
Total business-type activities	7,872,584	8,419,290	-	968,186
TOTAL PRIMARY GOVERNMENT	\$ 40,240,117	\$ 11,439,011	\$ 2,418,801	\$ 4,170,772

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
	\$ (2,216,122)	\$ -	\$ (2,216,122)
	(15,157,626)	-	(15,157,626)
	(3,664,210)	-	(3,664,210)
	(1,368,898)	-	(1,368,898)
	(184,862)	-	(184,862)
	(1,134,707)	-	(1,134,707)
	(23,726,425)	-	(23,726,425)
	-	1,514,892	1,514,892
	-	1,514,892	1,514,892
	(23,726,425)	1,514,892	(22,211,533)
General Revenues			
Taxes			
Property	12,712,189	-	12,712,189
Sales	7,014,499	-	7,014,499
Use	777,386	-	777,386
Utility	1,562,992	-	1,562,992
Local motor fuel	262,310	-	262,310
Telecommunications	704,682	-	704,682
Other	113,746	-	113,746
Intergovernmental			
Income tax	3,691,253	-	3,691,253
Replacement tax	166,505	-	166,505
Investment income	(190,127)	(79,508)	(269,635)
Miscellaneous	520,791	75,222	596,013
Gain on sale of capital assets	22,032	-	22,032
Total	27,358,258	(4,286)	27,353,972
CHANGE IN NET POSITION	3,631,833	1,510,606	5,142,439
NET POSITION, MAY 1	77,012,549	38,510,350	115,522,899
Prior period adjustment	(1,294,058)	-	(1,294,058)
NET POSITION, MAY 1, RESTATED	75,718,491	38,510,350	114,228,841
NET POSITION, APRIL 30	\$ 79,350,324	\$ 40,020,956	\$ 119,371,280

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2015

	General	Capital Improvement Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 5,092,604	\$ 11,239,543	\$ 542,007	\$ 5,414,965	\$ 22,289,119
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	10,659,917	-	2,043,762	667,908	13,371,587
Other taxes	2,866,180	-	-	-	2,866,180
Accounts	301,801	-	-	-	301,801
Accrued interest	1,515	-	-	-	1,515
Other	142,318	-	-	44,055	186,373
Prepaid items	39,896	-	-	142	40,038
Due from other governments	-	412,262	-	87,662	499,924
Due from other funds	34,140	-	-	-	34,140
Advances from other funds	-	-	-	199,828	199,828
TOTAL ASSETS	\$ 19,138,371	\$ 11,651,805	\$ 2,585,769	\$ 6,414,560	\$ 39,790,505

	General	Capital Improvement Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 524,107	\$ 3,404,277	\$ -	\$ 55,468	\$ 3,983,852
Unclaimed property	360	-	-	-	360
Retainage payable	-	20,856	-	1,372	22,228
Accrued payroll	509,104	-	-	-	509,104
Deposits payable	73,265	-	-	384,106	457,371
Unearned revenue	21,161	-	-	-	21,161
Advances to other funds	-	-	-	199,828	199,828
Total liabilities	1,127,997	3,425,133	-	640,774	5,193,904
DEFERRED INFLOWS OF RESOURCES					
Unavailable property taxes	10,659,917	-	2,043,762	667,908	13,371,587
Total deferred inflows of resources	10,659,917	-	2,043,762	667,908	13,371,587
Total liabilities and deferred inflows of resources	11,787,914	3,425,133	2,043,762	1,308,682	18,565,491
FUND BALANCES					
Nonspendable					
Prepaid items	39,896	-	-	142	40,038
Restricted					
Police department programs	-	-	-	64,380	64,380
Asset forfeiture	186,941	-	-	-	186,941
Capital projects	-	8,226,672	-	-	8,226,672
Motor fuel tax	-	-	-	1,021,369	1,021,369
Parks	-	-	-	382,295	382,295
Public improvements	-	-	-	2,706,045	2,706,045
Fire purposes	-	-	-	22,849	22,849
Debt service	-	-	542,007	-	542,007
Assigned					
Community improvements	107,268	-	-	-	107,268
Carry forwards	50,000	-	-	-	50,000
Capital projects	704,297	-	-	1,146,254	1,850,551
Unassigned	6,262,055	-	-	(237,456)	6,024,599
Total fund balances	7,350,457	8,226,672	542,007	5,105,878	21,225,014
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
	\$ 19,138,371	\$ 11,651,805	\$ 2,585,769	\$ 6,414,560	\$ 39,790,505
	-	-	-	-	-
	-	-	-	-	-

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

April 30, 2015

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 21,225,014
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	100,626,084
Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Interest payable	(533,937)
Compensated absences payable	(1,026,422)
Bonds payable	(34,149,760)
Claims payable	(419,636)
Capital lease payable	(59,450)
Net pension obligation	(4,742,695)
Other postemployment benefit payable	(1,857,446)
Less amounts included in internal service funds below	419,636
Bond premiums (discounts) are other financing sources (uses) in governmental funds in the year of issuance but are capitalized and amortized on the statement of net position	(535,744)
The net position of the internal service fund is included in the governmental activities in the statement of net position	<u>404,680</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 79,350,324</u></u>

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	General	Capital Improvement Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 20,121,710	\$ -	\$ 2,160,063	\$ 866,031	\$ 23,147,804
Intergovernmental	4,714,513	747,791	291,956	1,432,215	7,186,475
Licenses and permits	696,017	-	-	-	696,017
Charges for services	1,807,724	-	22,250	20,000	1,849,974
Fines and forfeitures	368,281	-	-	-	368,281
Investment income	(21,681)	(78,723)	(27,307)	(62,416)	(190,127)
Miscellaneous	565,155	8,548	-	51,542	625,245
Total revenues	28,251,719	677,616	2,446,962	2,307,372	33,683,669
EXPENDITURES					
Current					
General government	3,222,534	109,029	-	65,291	3,396,854
Public safety	16,423,093	-	-	51,968	16,475,061
Public works	5,514,502	-	-	673,015	6,187,517
Community development	1,219,323	-	-	39,006	1,258,329
Culture and recreation	147,877	-	-	17,242	165,119
Capital outlay	-	3,401,237	-	1,137,591	4,538,828
Debt service					
Principal retirement	57,312	-	1,198,850	117,550	1,373,712
Interest and fiscal charges	-	-	1,355,384	2,260	1,357,644
Total expenditures	26,584,641	3,510,266	2,554,234	2,103,923	34,753,064
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,667,078	(2,832,650)	(107,272)	203,449	(1,069,395)
OTHER FINANCING SOURCES (USES)					
Transfers in	24,425	-	-	553,862	578,287
Transfers (out)	(553,862)	-	-	(24,425)	(578,287)
Proceeds on issuance of bonds	-	8,278,960	-	-	8,278,960
Premium on issuance	-	494,952	-	-	494,952
Sale of capital assets	2,250	-	-	19,782	22,032
Total other financing sources (uses)	(527,187)	8,773,912	-	549,219	8,795,944
NET CHANGE IN FUND BALANCES	1,139,891	5,941,262	(107,272)	752,668	7,726,549
FUND BALANCES, MAY 1	6,210,566	2,285,410	649,279	4,353,210	13,498,465
FUND BALANCES, APRIL 30	\$ 7,350,457	\$ 8,226,672	\$ 542,007	\$ 5,105,878	\$ 21,225,014

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 7,726,549
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	3,357,418
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding on the statement of activities	(8,278,960)
Contributions of capital assets are reported only on the statement of activities	2,293,665
Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	(482,438)
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	1,373,712
Some expenses in the statement of activities do not required the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Depreciation	(2,091,921)
Accrued interest	(81,533)
Compensated absences	(85,452)
Net pension obligation	(380,993)
Other postemployment benefit	(228,679)
Early retirement incentive	120,000
The change in net position of internal service funds is reported with governmental activities	<u>390,465</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 3,631,833</u></u>

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

April 30, 2015

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service Funds
CURRENT ASSETS		
Cash and investments	\$ 8,269,745	\$ -
Receivables (net of allowances)		
Accounts	1,224,881	-
Accrued interest	1,077	-
Other	-	636,750
Prepaid expenses	7,771	348,401
Due from other funds	6,746	-
Due from other governments	322,637	-
	9,832,857	985,151
Total current assets		
CAPITAL ASSETS		
Nondepreciable	2,025,902	-
Depreciable	87,327,878	-
Accumulated depreciation	(39,519,229)	-
	49,834,551	-
Net capital assets		
Total assets	59,667,408	985,151

(This statement is continued on the following page.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

April 30, 2015

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service Funds
CURRENT LIABILITIES		
Accounts payable	\$ 1,892,243	\$ 101,485
Retainage payable	48,271	-
Accrued payroll	88,400	-
Unclaimed property	213	-
Unearned revenue	26,300	18,464
Accrued interest payable	165,507	-
Claims payable	-	209,818
Due to other funds	-	40,886
Deposits payable	308,374	-
Compensated absences payable	42,127	-
Bonds payable	758,600	-
	<hr/>	<hr/>
Total current liabilities	3,330,035	370,653
LONG-TERM LIABILITIES		
Compensated absences payable	168,507	-
Claims payable	-	209,818
Bonds payable	15,470,690	-
Net other postemployment benefit obligation	53,816	-
IEPA loans payable	623,404	-
	<hr/>	<hr/>
Total long-term liabilities	16,316,417	209,818
	<hr/>	<hr/>
Total liabilities	19,646,452	580,471
NET POSITION		
Net investment in capital assets	34,242,241	-
Unrestricted	5,778,715	404,680
	<hr/>	<hr/>
TOTAL NET POSITION	\$ 40,020,956	\$ 404,680
	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service Funds
OPERATING REVENUES		
Charges for services	\$ 8,140,525	\$ 4,446,756
Service fees and penalties	278,765	-
Miscellaneous	72,872	96,873
Total operating revenues	<u>8,492,162</u>	<u>4,543,629</u>
OPERATING EXPENSES		
Administration	649,848	-
Operations	4,348,289	4,153,164
Depreciation and amortization	2,244,220	-
Total operating expenses	<u>7,242,357</u>	<u>4,153,164</u>
OPERATING INCOME	<u>1,249,805</u>	<u>390,465</u>
NON-OPERATING REVENUES (EXPENSES)		
Investment income	(79,508)	-
Disposal of capital assets	2,350	-
Interest and fiscal charges	(630,227)	-
Total non-operating revenues (expenses)	<u>(707,385)</u>	<u>-</u>
INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	<u>542,420</u>	<u>390,465</u>
Capital grants and contributions	<u>968,186</u>	<u>-</u>
CHANGE IN NET POSITION	1,510,606	390,465
NET POSITION, MAY 1	<u>38,510,350</u>	<u>14,215</u>
NET POSITION, APRIL 30	<u><u>\$ 40,020,956</u></u>	<u><u>\$ 404,680</u></u>

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended April 30, 2015

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 8,354,295	\$ 326,021
Receipts from interfund services transactions	-	3,774,303
Receipts from others	-	49,117
Receipts from miscellaneous	73,085	96,873
Payments for interfund services transactions	(601,938)	
Payments to suppliers	(1,427,121)	(4,105,305)
Payments to employees	(2,963,687)	-
Net cash from operating activities	<u>3,434,634</u>	<u>141,009</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Interfund activity	<u>(100,260)</u>	<u>(144,866)</u>
Net cash from noncapital financing activities	<u>(100,260)</u>	<u>(144,866)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from capital grants	189,233	-
Capital assets purchased	(833,794)	-
Proceeds from disposal of capital assets	2,350	-
Proceeds from issuance of long term debt	1,670,921	-
Principal payments on long-term debt	(1,256,596)	-
Interest payments on long-term debt	(529,438)	-
Net cash from capital and related financing activities	<u>(757,324)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on investments	<u>(80,486)</u>	<u>-</u>
Net cash from investing activities	<u>(80,486)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,496,564	(3,857)
CASH AND CASH EQUIVALENTS, MAY 1	<u>5,773,181</u>	<u>3,857</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u><u>\$ 8,269,745</u></u>	<u><u>\$ -</u></u>

(This statement is continued on the following page.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended April 30, 2015

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service Fund
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 1,249,805	\$ 390,465
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation and amortization	2,244,220	-
Changes in assets and liabilities		
Accounts receivable	(26,348)	-
Other receivables	-	(295,988)
Prepaid expenses	(1,944)	48,638
Accounts payable	(76,377)	30,122
Retainage payable	46,818	-
Accrued payroll	12,969	-
Unclaimed property	213	-
Deposits payable	(37,125)	-
Claims payable	-	(30,901)
Early retirement incentive	(12,000)	-
Net other postemployment benefit obligation	29,180	-
Unearned revenue	(1,522)	(1,327)
Compensated absences	6,745	-
NET CASH FROM OPERATING ACTIVITIES	\$ 3,434,634	\$ 141,009
NONCASH TRANSACTIONS		
Contributed capital assets	\$ 766,425	\$ -
Issuance of refunding bonds	8,105,000	-
Premium on refunding bonds	703,775	-
Payment to escrow agent	(8,720,893)	-
Issuance costs paid directly from escrow	(87,882)	-
TOTAL NONCASH TRANSACTIONS	\$ 766,425	\$ -

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS

April 30, 2015

	Pension Trust
ASSETS	
Cash and short-term investments	\$ 4,553
Investments, at fair value	
Money market mutual funds	596,331
U.S. Treasury obligations	5,777,191
U.S. agency obligations	11,295,115
Municipal bonds	1,437,060
Equities	12,546,345
Corporate bonds	1,744,368
Equity mutual funds	18,965,443
Receivables	
Accrued interest	180,815
Prepaid expenses	24,428
	<hr/>
Total assets	52,571,649
	<hr/>
LIABILITIES	
Accounts payable	8,712
	<hr/>
Total liabilities	8,712
	<hr/>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	\$ 52,562,937
	<hr/> <hr/>

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

For the Year Ended April 30, 2015

ADDITIONS

Contributions

Employer contributions	\$ 2,672,740
Employee contributions	<u>816,856</u>

Total contributions	<u>3,489,596</u>
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Investment income

Net appreciation in fair value of investments	1,990,324
Interest	<u>1,594,579</u>

Total investment income	3,584,903
Less investment expense	<u>(194,240)</u>

Net investment income	<u>3,390,663</u>
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Total additions	<u>6,880,259</u>
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DEDUCTIONS

Administration	77,108
Pension benefits	<u>3,033,877</u>

Total deductions	<u>3,110,985</u>
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NET INCREASE	3,769,274
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**NET POSITION HELD IN TRUST
FOR PENSION BENEFITS**

May 1	<u>48,793,663</u>
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April 30	<u><u>\$ 52,562,937</u></u>
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See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Carpentersville, Illinois (the Village) was incorporated in 1851. The Village provides services to the community that includes public safety (police and fire), water and sewer utility, community development, public works, culture and recreation, and general services.

The accounting policies of the Village conform to accounting principles generally accepted in the United States of America, as applicable to governments (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 more significant policies:

a. Reporting Entity

The Village is a municipal corporation governed by the Village President and an elected six-member board. As defined by GAAP established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

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

Based on the above criteria, the Village does not have any component units.

b. Fund Accounting

The Village uses funds to report on its financial position and the change 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. The minimum number of funds are maintained consistent with legal and managerial requirements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

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

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds), the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds) and the funds restricted to the extent that only earnings, and not principal, may be used for purposes that support the Village's programs (permanent funds). The General Fund is used to account for all activities of the Village 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 Village (internal service funds).

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.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated on 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 activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The Village reports the following major governmental funds:

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

The Capital Improvement Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The General Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs other than tax increment financing (TIF) or enterprise debt.

The Village reports the following major proprietary funds:

The Waterworks and Sewerage Fund is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance and improvements.

Additionally, the Village reports the following Internal Service Fund:

Internal Service Fund (Insurance) is used to account for accumulation of resources and costs associated with insurance for the Village. This fund is reported as part of the governmental activities on the government-wide financial statements as they provide services to the Village's governmental funds/activities.

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for sales taxes, income taxes and telecommunication taxes which use 90 days. The Village recognizes property taxes when they become both measurable and available in the year for which they are levied (i.e., intended to finance). Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Property taxes, sales taxes owed from the state at year end, franchise taxes, licenses, charges for services and investment income associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues (e.g., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. There are, however, essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The Village reports unearned revenue and unavailable/deferred revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available criteria (unavailable) or earned criteria (deferred) for recognition in the current period. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, 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 and deferred inflows of resource for unearned and unavailable/deferred revenue are removed from the financial statements and revenue is recognized.

e. Cash and Investments

For purposes of the statement of cash flows, the Village considers cash and cash equivalents to include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments with a maturity of one year or less when purchased and all non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are reported at fair value. All investments of the pension trust funds, regardless of length of maturity, are reported at fair value. Fair value is based on published market quotes as of April 30 or contract values for any insurance contracts.

f. Interfund Receivables/Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “interfund receivables/payables” (current portion of interfund loans) or “advances to/from other funds” (noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Interfund service transactions are accounted for as revenues, expenditures or expenses.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Interfund Receivables/Payables (Continued)

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 are reported as transfers.

g. Property Taxes

Property taxes are levied in December of each year on all taxable real property in the Village and attach as an enforceable lien on the property as of the preceding January 1. Property taxes receivable represent the balance due on the 2014 levy. Tax bills are prepared by the County and issued on or about May 1 and are payable in two installments on or about June 1 and September 1. The County Collector collects such taxes and remits them periodically. Since the 2014 levy is intended to finance the next fiscal year, the levy has been recorded as a receivable and unavailable/deferred revenue. The 2015 tax levy has not been recorded as a receivable at April 30, 2015, as the tax attached as a lien on property as of January 1, 2015; however, the tax will not be levied until December 2015 and, accordingly, is not measurable at April 30, 2015.

h. Inventories and Prepaid Items/Expenses

Governmental fund inventory items are expensed when purchased. Proprietary fund inventories are valued at cost based on weighted average and expensed when consumed. Proprietary fund inventory was not significant at April 30, 2015.

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

i. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads and bridges) 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 in excess of \$20,000 and an estimated useful life 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.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets (Continued)

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

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

Assets	Years
Buildings	50
Machinery and equipment	3-25
Utility system	10-75
Infrastructure	50-100

j. Compensated Absences

Vested or accumulated compensated absences that is owed to retirees or terminated employees, if applicable, is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated compensated absences of proprietary funds and governmental activities is recorded as an expense and liability as the benefits accrue to employees.

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as the unamortized loss on refunding, are deferred and amortized over the life of the bonds. Bonds payable are reported net of any applicable bond premium or discount. Issuance costs are reported as expenses.

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

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

m. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance resulted from enabling legislation adopted by the Village of Trustees. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Manager through the fund balance policy adopted by the Village Board of Trustees. Any residual fund balance of the General Fund and any deficit balances in other governmental funds are reported as unassigned.

The Village's fund balance policy for the General Fund specifies a targeted minimum fund balance of 25% and an unassigned fund balance level of 20% of annual operating expenditures.

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

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. 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, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

a. Village Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value). The Village's investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the Village will not invest in any institution in which the Village's funds on deposit are in excess of 75% of the institution's capital stock and surplus.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

The Village maintains a cash pool that is available for use by all funds, except the permanent fund and pension trust funds. Investments are separately held by several of the Village's funds. The deposits and investments of the permanent fund and the pension trust funds are held separately from those of other funds.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Deposits with Financial Institutions

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 110% of the fair market value of the funds secured, with the collateral held in safekeeping by a third party depository designated by the Village.

Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2015:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Bond mutual funds	\$ 15,555	\$ -	\$ 9,203	\$ 6,352	\$ -
TOTAL	\$ 15,555	\$ -	\$ 9,203	\$ 6,352	\$ -

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. Unless matched to a specific cash flow, the Village does not invest operating funds in securities maturing more than three years from the date of purchase.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in external investment pools. Illinois Funds and the Illinois Metropolitan Investment Fund are all rated AAA. The Bond mutual funds are not rated.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the state to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis (DVP) with the underlying investments held in a custodial account with the trust department of an approved financial institution. Illinois Funds, IMET and the bond mutual funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of their investments invested in one type of investment. The Village's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits.

3. RECEIVABLES

The following receivables are included in other receivables on the statement of net position at April 30, 2015:

GOVERNMENTAL ACTIVITIES	
Insurance Receivables	\$ 636,750
Telecommunications tax	167,331
Court fines	16,820
Strengthening Families	<u>2,222</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 823,123</u>

The following receivables are included in due from other governments on the statement of net position at April 30, 2015:

GOVERNMENTAL ACTIVITIES	
Illinois Department of Transportation	\$ 348,274
Illinois Environment Protection Agency	118,456
51 S. Grove Reimbursement	<u>33,194</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 499,924</u>

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES (Continued)

BUSINESS-TYPE ACTIVITIES	
IEPA Loan Receivable	\$ 310,109
Energy Efficiency Grant	11,761
Fox Valley Internet Rent	<u>767</u>
 TOTAL BUSINESS-TYPE ACTIVITIES	 <u>\$ 322,637</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2015 was as follows:

	Beginning Balances, Restated	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 2,727,533	\$ -	\$ -	\$ 2,727,533
Right of ways	11,809,913	-	-	11,809,913
Construction in progress	1,679,366	862,298	1,353,931	1,187,733
Total capital assets not being depreciated	<u>16,216,812</u>	<u>862,298</u>	<u>1,353,931</u>	<u>15,725,179</u>
Capital assets being depreciated				
Building and improvements	21,245,511	-	-	21,245,511
Vehicles	3,726,008	225,746	64,502	3,887,252
Equipment	2,815,177	80,187	80,140	2,815,224
Roads	41,020,709	4,968,158	-	45,988,867
Storm sewers	3,425,670	-	-	3,425,670
Bridges	365,386	-	-	365,386
Retaining walls	97,418	-	-	97,418
Parking lot	30,286,369	868,625	-	31,154,994
Total capital assets being depreciated	<u>102,982,248</u>	<u>6,142,716</u>	<u>144,642</u>	<u>108,980,322</u>
Less accumulated depreciation for				
Buildings and improvements	3,397,949	422,461	-	3,820,410
Vehicles	2,727,598	252,339	64,502	2,915,435
Equipment	1,390,550	150,720	80,140	1,461,130
Roads	9,173,993	877,842	-	10,051,835
Storm sewers	296,892	45,676	-	342,568
Bridges	9,135	18,269	-	27,404
Retaining walls	28,406	2,941	-	31,347
Parking lot	5,107,615	321,673	-	5,429,288
Total accumulated depreciation	<u>22,132,138</u>	<u>2,091,921</u>	<u>144,642</u>	<u>24,079,417</u>
Total capital assets being depreciated, net	<u>80,850,110</u>	<u>4,050,795</u>	<u>-</u>	<u>84,900,905</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 97,066,922</u>	<u>\$ 4,913,093</u>	<u>\$ 1,353,931</u>	<u>\$ 100,626,084</u>

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 81,350
Public safety	367,338
Public works	1,639,384
Culture and recreation	<u>3,849</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 2,091,921</u>

	Beginning Balances, Restated	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 1,249,761	\$ -	\$ -	\$ 1,249,761
Construction in progress	233,330	682,079	139,268	776,141
Total capital assets not being depreciated	<u>1,483,091</u>	<u>682,079</u>	<u>139,268</u>	<u>2,025,902</u>
Capital assets being depreciated				
Water and wastewater treatment improvements	44,533,317	265,616	-	44,798,933
Water distribution and sewer collection	38,995,434	1,506,481	-	40,501,915
Vehicles	963,423	238,384	37,058	1,164,749
Equipment	750,183	112,098	-	862,281
Total capital assets being depreciated	<u>85,242,357</u>	<u>2,122,579</u>	<u>37,058</u>	<u>87,327,878</u>
Less accumulated depreciation for				
Water and wastewater treatment improvements	22,316,325	1,476,084	-	23,792,409
Water distribution and sewer collection	13,432,228	689,722	-	14,121,950
Vehicles	935,045	34,804	37,058	932,791
Equipment	628,469	43,610	-	672,079
Total accumulated depreciation	<u>37,312,067</u>	<u>2,244,220</u>	<u>37,058</u>	<u>39,519,229</u>
Total capital assets being depreciated, net	<u>47,930,290</u>	<u>(121,641)</u>	<u>-</u>	<u>47,808,649</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 49,413,381</u>	<u>\$ 560,438</u>	<u>\$ 139,268</u>	<u>\$ 49,834,551</u>

5. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Changes in General Long-Term Debt

A summary of changes in long-term debt of the Village for the year ended April 30, 2015 is as follows:

Issue	Fund Debt Retired By	Purpose	Balances May 1	Additions	Reductions	Balances April 30	Current
General Obligation Bonds, Series 2006 (dated June 1, 2006; maturing December 30, 2026; original issue \$10,000,000; interest rates 3.75% to 4.50%; principal payable annually on December 30).	General Debt Service	Public Improvements	\$ 3,692,500	\$ -	\$ 217,500	\$ 3,475,000	\$ 225,000
	Waterworks and Sewerage	Public Improvements	3,692,500	-	217,500	3,475,000	225,000
General Obligation Bonds, Series 2008 (dated September 11, 2008; maturing December 30, 2028; original issue \$10,000,000; interest rates 3.0% to 4.5%; principal payable annually on December 30).	General Debt Service	Public Improvements	5,457,150	-	271,350	5,185,800	281,400
	Waterworks and Sewerage	Public Improvements	2,687,850	-	133,650	2,554,200	138,600
General Obligation Bond Series 2010 - Build America Bonds (dated August 9, 2010; maturing December 30, 2030; original issue \$20,000,000; interest rates 1.12% to 6.35%; principal payable annually on December 30).	General Debt Service	Street Improvements and Public Works Building	17,920,000	-	710,000	17,210,000	720,000
General Obligation Bonds, Series 2014 (dated December 10, 2014; maturing December 30, 2034; original issue \$9,560,000; interest rates 2.00% to 4.00%; principal payable annually on December 30).	General Debt Service	Public Improvements	-	8,278,960	-	8,278,960	150,000
	Waterworks and Sewerage	Public Improvements	-	1,281,040	-	1,281,040	105,000

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Changes in General Long-Term Debt (Continued)

Issue	Fund Debt Retired By	Purpose	Balances May 1	Additions	Reductions	Balances April 30	Current
General Obligation Refunding Bond Series 2015A (dated March 5, 2015; maturing July 25, 2023; original issue \$8,105,000; interest rates 2.50% to 4.00%; principal payable semiannually on July 15 and January 15).	Waterworks and Sewerage	Refunding	\$ -	\$ 8,105,000	\$ -	\$ 8,105,000	\$ 290,000
TOTAL			\$ 33,450,000	\$ 17,665,000	\$ 1,550,000	\$ 49,565,000	\$ 2,135,000

c. Legal Debt Margin

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.”

To date, the General Assembly has set no limits for home rule municipalities.

d. Debt Service Requirements to Maturity (the Village changed its' fiscal year to December 31 effective December 31, 2015).

Period Ending December 31,	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2015	\$ 1,376,400	\$ 1,569,472	\$ 2,945,872	\$ 758,600	\$ 464,259	\$ 1,222,859
2016	1,572,540	1,600,086	3,172,626	1,302,460	523,037	1,825,497
2017	1,619,600	1,533,110	3,152,710	1,340,400	502,524	1,842,924
2018	1,661,480	1,463,822	3,125,302	1,383,520	480,437	1,863,957
2019	1,717,870	1,398,074	3,115,944	1,427,130	434,505	1,861,635
2020	1,777,430	1,323,992	3,101,422	1,487,570	375,807	1,863,377

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

d. Debt Service Requirements to Maturity (Continued)

Period Ending December 31,	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 1,840,340	\$ 1,247,305	\$ 3,087,645	\$ 1,549,660	\$ 314,626	\$ 1,864,286
2022	1,904,230	1,167,872	3,072,102	1,610,770	250,893	1,861,663
2023	1,974,640	1,078,864	3,053,504	1,675,360	184,655	1,860,015
2024	2,051,880	986,516	3,038,396	593,120	127,051	720,171
2025	2,134,120	890,525	3,024,645	620,880	101,774	722,654
2026	2,223,190	779,385	3,002,575	646,810	74,410	721,220
2027	2,600,610	663,603	3,264,213	294,390	45,902	340,292
2028	2,708,030	517,335	3,225,365	306,970	32,995	339,965
2029	2,316,300	365,023	2,681,323	73,700	19,537	93,237
2030	2,413,620	229,131	2,642,751	76,380	16,589	92,969
2031	515,270	87,466	602,736	79,730	13,534	93,264
2032	536,920	66,855	603,775	83,080	10,345	93,425
2033	554,240	45,378	599,618	85,760	7,022	92,782
2034	651,050	23,209	674,259	18,950	3,591	22,541
TOTAL	\$ 34,149,760	\$ 17,037,023	\$ 51,186,783	\$ 15,415,240	\$ 3,983,493	\$ 19,398,733

Period Ending December 31,	Capital Lease		
	Governmental Activities		
	Principal	Interest	Total
2015	\$ 59,450	\$ 455	\$ 59,905
TOTAL	\$ 59,450	\$ 455	\$ 59,905

e. Changes in Long-Term Liabilities

During the fiscal year the following changes occurred in liabilities reported in the governmental activities:

	Balances May 1	Issuances	Reductions	Balances April 30	Current Portion
General obligation bonds payable	\$ 27,069,650	\$ 8,278,960	\$ 1,198,850	\$ 34,149,760	\$ 1,376,400
Capital lease payable	177,000	-	117,550	59,450	59,450
Promissory note	57,312	-	57,312	-	-
Premium on bonds payable	53,306	494,952	12,514	535,744	-
Compensated absences payable	940,970	681,924	596,472	1,026,422	615,853
Early retirement incentives	120,000	-	120,000	-	-
Net pension obligation	4,361,702	380,993	-	4,742,695	-
Net other postemployment benefit obligation	1,628,767	228,679	-	1,857,446	-
Insurance claims payable	450,537	403,460	434,361	419,636	209,818
TOTAL GOVERNMENTAL ACTIVITIES	\$ 34,859,244	\$ 10,468,968	\$ 2,537,059	\$ 42,791,153	\$ 2,261,521

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

e. Changes in Long-Term Liabilities (Continued)

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

During the fiscal year the following changes occurred in liabilities reported in the business-type activities:

	Balances May 1	Issuances	Reductions/ Refunding	Balances April 30	Current Portion
General obligation bonds payable	\$ 6,380,350	\$ 9,386,040	\$ 351,150	\$ 15,415,240	\$ 758,600
Premium on bonds payable	53,305	780,361	19,616	814,050	-
IEPA loan*	9,596,350	623,404	9,596,350	623,404	-
Compensated absences	203,889	210,634	203,889	210,634	42,127
Early retirement incentives	12,000	-	12,000	-	-
Net other postemployment benefit obligation	24,636	29,180	-	53,816	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 16,270,530	\$ 11,029,619	\$ 10,183,005	\$ 17,117,144	\$ 800,727

*The IEPA loan was not fully disbursed as of April 30, 2015; therefore, a debt service to maturity schedule is not available and the entire amount of the loan has been reported as long-term at April 30, 2015.

f. Current Refunding

On November 13, 2014, the Village issued \$8,105,000 Series 2015A General Obligation Refunding Bonds to refund the 2011 IEPA Loan. As a result of the refunding, the Village achieved cash flow savings of \$195,227 and an economic gain on the refunding of \$192,151.

6. 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; injuries to employees; illnesses of employees; and natural disasters.

Beginning January 1, 2000, the Village became self-insured for general liability, property and workers' compensation claims and established a risk financing fund (Insurance Fund) (the Fund) for these risks. It is accounted for as an internal service fund where assets are set aside for claim settlements. For liability claims and errors and omissions, the uninsured risk of loss is \$50,000 per incident and \$200,000 in the aggregate for a policy year. For workers' compensation claims, the uninsured risk of loss is \$650,000 per incident. There is no aggregate amount for workers' compensation. The Village purchases commercial insurance for claims in excess of the coverages provided by the Fund. Settled claims did not exceed the Fund's coverage, and the commercial coverage was not exceeded in the past three fiscal years.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RISK MANAGEMENT (Continued)

The General Fund and Waterworks and Sewerage Fund participate and make payments to the Fund based upon estimates of the amounts needed to pay prior and current year claims. Liabilities of the Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and societal factors.

Changes in the balances of claims liabilities during the years ended April 30, 2015 and 2014 are as follows:

	2015	2014
UNPAID CLAIMS - BEGINNING OF YEAR	\$ 450,537	\$ 275,110
Incurred claims (including IBNR)	403,460	478,107
Claims payments	(434,361)	(302,680)
UNPAID CLAIMS - END OF YEAR	\$ 419,636	\$ 450,537

Intergovernmental Personnel Benefit Cooperative

The Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established in 1979 by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental and nonprofit public service entities. Management consists of a Board of Directors comprised of one appointed representative from each member. The officers of IPBC are chosen by the Board of Directors from among their membership. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. Through IPBC, the Village offers both a PPO plan and an HMO plan. For those employees enrolled in the PPO plan, the Village is responsible for the first \$35,000 in claims for each individual employee participant every claim year. The members of IPBC share claims (for each individual employee) between \$35,000 and \$125,000. IPBC maintains stop-loss insurance to cover claims in excess of \$125,000. Approximately 85% of the Village's employees and retirees are PPO participants.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RISK MANAGEMENT (Continued)

The HMO plan is also self-insured through a special arrangement. Members of IPBC pay for fixed costs of capitation and administration and then fund for claims not covered under the capitation fee. This plan is fully pooled and the Village is not individually rated based on claims experience. All members of the IPBC pay the same rates based on plan design choices. Approximately 15% of the Village's employees and retirees are HMO participants.

The Village makes payments to IPBC monthly based on its participation in the plan. The rates per individual participant are determined annually based on each member's prior experience within the pool and projected future claims. This rate also includes a provision for the cost of excess insurance purchased by IPBC.

The Village also makes monthly payments to IPBC for administration of the plan. The Village had an estimated terminal reserve net of deficit of other accounts as of April 30, 2015 of \$581,750.

This amount was declared as a dividend to the Village and, therefore, has been recorded as a receivable in the Fund as of April 30, 2015.

7. CONTINGENT LIABILITIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, 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.

c. Economic Incentives

The Village has entered into an economic incentive agreement with a commercial entity whereby the Village has agreed to reimburse the commercial entity through sales tax rebates. The amount of the rebates is limited to a specified maximum cap of \$900,000 payable solely from sales taxes generated by the commercial entity. The rebates are to be paid quarterly. To date, the Village has paid \$900,000 to the commercial entity.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INDIVIDUAL FUND DISCLOSURES

a. Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
General	Internal Service	\$ 34,140
Water and Sewer	Internal Service	6,746
TOTAL		\$ 40,886

The purposes of the due to/due from other funds are as follows:

- \$40,886 due from the Internal Service Fund to the General Fund (\$34,140) and the Water and Sewer Fund (\$6,746) to eliminate a deficit cash position due to prepaid liability insurance. Repayment is expected within one year.

b. Advances To/From Other Funds

Individual fund interfund advances to/from are as follows:

Receivable Fund	Payable Fund	Amount
Nonmajor governmental	Nonmajor governmental	\$ 199,828
TOTAL		\$ 199,828

- \$199,828 due from the nonmajor governmental (TIF District No. 3 (Route 25) Fund) to the nonmajor governmental (TIF District No. 1 (Spring Hill) Fund) to cover temporary cash deficits between contiguous TIF funds. Repayment is not expected within one year.

c. Interfund Transfers

Interfund transfers between funds for the year ended April 30, 2015 were as follows:

	Transfers In	Transfers Out
General		
Nonmajor governmental (Park Trust)	\$ 24,425	\$ -
Nonmajor governmental (Strengthening Families)	-	53,862
Nonmajor governmental (Capital Equipment Replacement)	-	500,000
Total General	24,425	553,862
Nonmajor governmental		
General	553,862	24,425
TOTAL	\$ 578,287	\$ 578,287

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers (Continued)

The purpose of significant transfers is as follows:

- \$500,000 was transferred to the nonmajor governmental (Capital Equipment Replacement Fund) from the General Fund for future capital equipment. This transfer will not be repaid.
- \$53,862 was transferred to the nonmajor governmental (Strengthening Families) from the General Fund for to open the fund. This transfer will not be repaid.
- \$24,425 was transferred to the General Fund from the nonmajor governmental (Park Trust Fund) to transfer income to the fund. This transfer will not be repaid.

d. Deficit Fund Balances

At April 30, 2015, the TIF District No. 3 (Route 25) Fund had a deficit fund balance of \$237,456.

9. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

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

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Membership

At April 30, 2015, membership consisted of:

Retirees and beneficiaries currently receiving benefits	25
Terminated employees entitled to benefits but not yet receiving them	-
Active plan members	<u>173</u>
 TOTAL	 <u><u>198</u></u>
 Participating employers	 <u><u>1</u></u>

c. Benefits Provided

The Village provides postemployment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans.

All health care benefits are provided through the Village's health insurance plan with IPBC. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

d. Funding Policy

The Village negotiates the contribution percentages between the Village and employees through the union contracts and personnel policy. Retirees contribute their share of the actuarially determined premium to the plan and the Village contributes the remainder to cover the cost of providing the benefits to the retirees. For the fiscal year ended April 30, 2015, retirees contributed \$340,796 and the Village contributed \$220,582. The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2015 and the prior two years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2013	\$ 287,856	\$ 166,295	57.77%	\$ 1,554,540
April 30, 2014	288,667	189,804	65.75%	1,653,403
April 30, 2015	478,441	220,582	46.10%	1,911,262

The net OPEB obligation (NOPEBO) at April 30, 2015 was calculated as follows:

Annual required contribution	\$ 504,244
Interest on net OPEB obligation	66,136
Adjustment to annual required contribution	<u>(91,939)</u>
Annual OPEB cost	478,441
Contributions made	<u>220,582</u>
Increase in net OPEB obligation	257,859
Net OPEB obligation, beginning of year	<u>1,653,403</u>
NET OPEB OBLIGATION, END OF YEAR	<u>\$ 1,911,262</u>

f. Funded Status and Funding Progress

The funded status of the plan as of April 30, 2015 was as follows:

Actuarial accrued liability (AAL)	\$ 4,526,362
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	4,526,362
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 13,334,580
UAAL as a percentage of covered payroll	33.95%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend.

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Funded Status and Funding Progress (Continued)

Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

g. Actuarial Methods and Assumptions

Actuarial methods and assumptions involve the projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2015 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return and an annual healthcare cost trend rate of 7.5% initially, reduced by decrements to an ultimate rate of 5%. Both rates include a 2.5% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a 30-year open basis.

10. DEFINED BENEFIT PENSION PLANS

a. Plan Descriptions

Illinois Municipal Retirement Fund

The Village contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or online at www.imrf.org.

10. DEFINED BENEFIT PENSION PLANS

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

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

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the calendar year ended December 31, 2014 was 12.09% and the employer contribution for the calendar year ended December 31, 2015 was 11.46% of covered payroll. These contribution rates were equal to the annual required contribution for IMRF.

Police Pension Plan

Plan Administration

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

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

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Membership

At April 30, 2015, the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	39
Inactive plan members entitled to but not yet receiving benefits	3
Active plan members	60
TOTAL	102

Benefits Provided

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

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

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later.

Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ 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 Police Pension Plan as actuarially determined by an enrolled actuary, including administrative costs. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the Village has adopted a funding policy that will result in funding of 100% of the past service cost by 2040. For the year ended April 30, 2015, the Village's contribution was 37.99% of covered payroll.

Investment Policy

The Police Pension Fund's (the Fund) investment policy authorizes the Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, corporate bonds and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

It is the policy of the Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Fund and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	35.00%	2.85%
Domestic Equities	52.50%	10.70%
International Equities	10.00%	0.78%
Real Estate	2.50%	11.58%

The long-term expected real rates of return presented in the table above are net of estimated inflation of 1.18%. 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 the Fund’s investments was determined using the intermediate returns of the indexes included in the Carpentersville Police Pension Fund investment policy target. The best estimate ranges of expected nominal rates of return (including inflation) were developed for each investable index for the Carpentersville Police Pension fund as of December 31, 2014. These indexes include investments that are allowed by current Illinois state statute. These ranges were combined to produce long-term expected rate of return by weighting the expected future nominal rates of return by the target asset allocation percentage, and by time period. Best estimates or arithmetic real rates of return for each index included in the Fund’s target asset allocation as of April 30, 2015 are listed in the table above. There were no changes to the investment policy during the fiscal year ended April 30, 2015.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at April 30 for debt securities, equity securities and mutual funds and contract values for insurance contracts.

Investment Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.95%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund's policy does not require collateralization.

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2015:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 4,293,174	\$ 491,455	\$ 1,852,453	\$ 1,949,266	\$ -
U.S. agency obligations	5,332,093	800,682	3,802,053	543,988	185,370
Corporate bonds	1,744,368	250,251	1,386,473	107,644	-
TOTAL	\$ 11,369,635	\$ 1,542,388	\$ 7,040,979	\$ 2,600,898	\$ 185,370

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury and U.S. agency obligations and other obligations which are rated in the top three classes by a national rating agency. The U.S. agency obligations are rated AAA to AA+. The corporate bonds range in rating from Baa1 to Aa2 by Moody's.

Concentration of Credit Risk

Concentration of credit risk is the risk that the Fund has a high percentage of their investments invested in one type of investment. The Fund's investment policy requires diversification of investment to avoid unreasonable risk.

Custodial Credit Risk

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

Net Pension Liability

The components of the net pension liability of the Fund as of April 30, 2015 calculated in accordance with GASB Statement No. 67 were as follows:

Total pension liability	\$ 62,861,669
Plan fiduciary net position	34,252,188
Village's net pension liability	28,609,481
Plan fiduciary net position as a percentage of the total pension liability	54.49%

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.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

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

Actuarial valuation date	April 30, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	3.00%
Salary increases	5.50%
Interest rate	7.00%
Cost of living adjustments	Tier 1 at 3.00% Tier 2 at 2.00%
Asset valuation method	Market

Mortality rates were based on the RP-2000 Mortality Table (CHBCA). The actuarial assumptions used in the April 30, 2015 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net pension liability	\$ 37,290,155	\$ 28,609,481	\$ 21,437,315

Firefighters' Pension Plan

Plan Administration

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund.

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

Plan Membership

At April 30, 2015, the Firefighters' Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	22
Inactive plan members entitled to but not yet receiving benefits	3
Active plan members	<u>36</u>
TOTAL	<u><u>61</u></u>

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided

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

The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

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

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

Contributions

Employees are required by ILCS to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Contributions (Continued)

The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary, including administrative costs. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. However, the Village has adopted a funding policy that will result in funding of 100% of the past service cost by 2040. For the year ended April 30, 2015, the Village's contribution was 21.33% of covered payroll.

Investment Policy

The Firefighters' Pension Fund's (the Fund) investment policy authorizes the Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, corporate bonds and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

It is the policy of the Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, preservation of principal, return on investment, maintenance of public trust and liquidity.

The investment policy was not changed during the year ended April 30, 2015.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy (Continued)

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Large Cap Domestic Equity	35.0%	6.9%
Small Cap Domestic Equity	10.0%	9.0%
International Equity	5.0%	7.1%
Fixed Income	45.0%	2.1%

The long-term expected real rates of return are net of a 3.20% factor for inflation and investment expense. 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 the Fund's investments was determined using *Stocks, Bonds, Bills and Inflation 2013 Yearbook - Morningstar*, for the period of December 31, 1925 through December 31, 2014. The long-term expected rate of return on the International Equity class was based on the MCSI EAFE index for the period of December 31, 1976 through December 31, 2014. The long-term expected rates of return are the best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) for each major assets class. Best estimates or geometric real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2015 are listed in the table above.

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at April 30 for debt securities, equity securities and mutual funds and contract values for insurance contracts.

Investment Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.81%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund policy requires collateralization for deposits in excess of federal depository insurance.

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2015:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 1,484,017	\$ 50,672	\$ 939,851	\$ 493,494	\$ -
U.S. agency obligations	5,963,022	102,377	1,836,099	3,921,014	103,532
Municipal bonds	1,437,060	127,015	278,950	977,726	53,369
TOTAL	\$ 8,884,099	\$ 280,064	\$ 3,054,900	\$ 5,392,234	\$ 156,901

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury and U.S. agency obligations and municipal bonds. The U.S. agency obligations are rated AA+. The municipal bonds range in rating from A2 to AA1 by Moody's and A+ to AAA by Standard and Poor's.

Custodial Credit risk

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

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Concentration of Credit Risk

Concentration of credit risk is the risk that the Fund has a high percentage of their investments invested in one type of investment. The Fund's investment policy does not specifically address diversification by investment type.

Net Pension Liability

The components of the net pension liability of the Fund as of April 30, 2015 calculated in accordance with GASB Statement No. 67 were as follows:

Total pension liability	\$ 28,231,535
Plan fiduciary net position	18,310,749
Village's net pension liability	9,920,786
Plan fiduciary net position as a percentage of the total pension liability	64.9%

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 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	3.00%
Salary increases	5.50%
Interest rate	7.00%
Cost of living adjustments	Tier 1 at 3.00% Tier 2 at 2.00%
Asset valuation method	Market

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions (Continued)

Mortality rates were based on the RP-2000 Mortality Table (CHBCA). The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net pension liability	\$ 14,016,591	\$ 9,920,786	\$ 6,562,242

b. Significant Investments

There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of plan net position for either the Police Pension Plan or the Firefighters' Pension Plan. Information for IMRF is not available.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

c. Annual Pension Costs

Employer contributions for 2015 have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2012	April 30, 2014	April 30, 2014
Actuarial cost method	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	Market	Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period	29 Years, Open	26 Years, Closed	26 Years, Closed
Significant actuarial assumptions			
a) Rate of return on present and future assets	7.50% Compounded Annually	7.00% Compounded Annually	7.00% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	3.00% Compounded Annually	3.00% Compounded Annually
c) Additional projected salary increases - seniority/merit	0.40% to 10.00%	2.50%	2.50%
d) Postretirement benefit increases	3.00%	2.00% to 3.00%	2.00% to 3.00%

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

c. Annual Pension Costs (Continued)

Employer annual pension cost (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the annual pension cost and the contributions actually made.

	Year Ended	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2013	\$ 662,253	\$ 1,760,530	\$ 863,041
	2014	706,955	1,972,826	882,195
	2015	674,743	2,079,655	974,078
Actual contribution	2013	\$ 662,253	\$ 1,533,426	\$ 453,980
	2014	706,955	1,768,692	519,515
	2015	674,743	2,018,731	654,009
Percentage of APC contributed	2013	100.00%	87.1%	52.6%
	2014	100.00%	89.7%	58.9%
	2015	100.00%	97.1%	67.1%
NPO	2013	\$ -	\$ 2,219,233	\$ 1,575,655
	2014	-	2,423,367	1,938,335
	2015	-	2,484,291	2,258,404

The NPO as of April 30, 2015 has been calculated as follows:

	Police Pension	Firefighters' Pension
Annual required contribution	\$ 2,018,729	\$ 925,347
Interest on net pension obligation	169,636	135,683
Adjustment to annual required contribution	(108,710)	(86,952)
Annual pension cost	2,079,655	974,078
Contributions made	2,018,731	654,009
Increase in net pension obligation	60,924	320,069
Net pension obligation, beginning of year	2,423,367	1,938,335
NET PENSION OBLIGATION, END OF YEAR	\$ 2,484,291	\$ 2,258,404

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

d. Funded Status and Funding Progress

The funded status and funding progress of IMRF as of December 31, 2014 and the Police Pension Plan and Firefighters' Pension Plan as of April 30, 2015, respectively, were as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial accrued liability (AAL)	\$ 15,619,350	\$ 62,861,669	\$ 28,231,535
Actuarial value of plan assets	12,242,015	34,252,188	18,310,749
Unfunded actuarial accrued liability (UAAL)	3,377,335	28,609,481	9,920,786
Funded ratio (actuarial value of plan assets/AAL)	78.3%	54.5%	64.9%
Covered payroll (active plan members)	\$ 5,728,760	\$ 5,313,697	\$ 3,065,913
UAAL as a percentage of covered payroll	59.0%	538.4%	323.6%

See the schedules of funding progress in the required supplementary information immediately following the notes to financial statements for additional information related to the funded status of the plans.

e. Pension Fund Disclosures

Plan Net Position

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and cash equivalents	\$ -	\$ 4,553	\$ 4,553
Investments, at fair value			
Money market mutual funds	392,049	204,282	596,331
U.S. Treasury obligations	4,293,174	1,484,017	5,777,191
U.S. agency obligations	5,332,093	5,963,022	11,295,115
Municipal bonds	-	1,437,060	1,437,060
Equities	12,546,345	-	12,546,345
Corporate bonds	1,744,368	-	1,744,368
Equity mutual funds	9,806,854	9,158,589	18,965,443
Accrued interest	114,884	65,931	180,815
Prepaid expenses	23,911	517	24,428
	<u>34,253,678</u>	<u>18,317,971</u>	<u>52,571,649</u>
LIABILITIES			
Accounts payable	1,490	7,222	8,712
	<u>1,490</u>	<u>7,222</u>	<u>8,712</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
	<u>\$ 34,252,188</u>	<u>\$ 18,310,749</u>	<u>\$ 52,562,937</u>

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

e. Pension Fund Disclosures (Continued)

Changes in Plan Net Position

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 2,018,731	\$ 654,009	\$ 2,672,740
Employee	516,271	300,585	816,856
Total contributions	<u>2,535,002</u>	<u>954,594</u>	<u>3,489,596</u>
Investment income			
Net appreciation in fair value of investments	1,422,352	567,972	1,990,324
Interest	932,110	662,469	1,594,579
Total investment income	2,354,462	1,230,441	3,584,903
Less investment expense	<u>(139,854)</u>	<u>(54,386)</u>	<u>(194,240)</u>
Net investment income	<u>2,214,608</u>	<u>1,176,055</u>	<u>3,390,663</u>
Total additions	<u>4,749,610</u>	<u>2,130,649</u>	<u>6,880,259</u>
DEDUCTIONS			
Administration	32,809	44,299	77,108
Pension benefits and refunds	<u>2,215,557</u>	<u>818,320</u>	<u>3,033,877</u>
Total deductions	<u>2,248,366</u>	<u>862,619</u>	<u>3,110,985</u>
NET INCREASE	2,501,244	1,268,030	3,769,274
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
May 1	<u>31,750,944</u>	<u>17,042,719</u>	<u>48,793,663</u>
April 30	<u>\$ 34,252,188</u>	<u>\$ 18,310,749</u>	<u>\$ 52,562,937</u>

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. PRIOR PERIOD ADJUSTMENTS

The net position of governmental activities has been restated to remove sidewalks from capital assets as of May 1, 2014. The amount of the restatement was (\$1,294,058).

12. SUBSEQUENT EVENT

The Village Board of Trustees passed Ordinance No. 14-27 on July 15, 2014 changing the Village's fiscal year to December 31, effective December 31, 2015.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 19,681,748	\$ 19,681,748	\$ 20,121,710
Intergovernmental	4,785,200	4,820,960	4,714,513
Licenses and permits	746,681	746,681	696,017
Charges for services	1,571,400	1,571,400	1,807,724
Fines and forfeitures	385,000	352,250	368,281
Interest	20,000	20,000	(21,681)
Miscellaneous	514,961	514,961	565,155
Total revenues	27,704,990	27,708,000	28,251,719
EXPENDITURES			
General government	3,514,975	3,592,475	3,222,534
Public safety	16,640,061	16,640,061	16,423,093
Public works	5,870,496	5,911,746	5,514,502
Community development	1,225,144	1,225,144	1,219,323
Culture and recreation	173,087	173,087	147,877
Debt service	332,311	57,312	57,312
Total expenditures	27,756,074	27,599,825	26,584,641
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(51,084)	108,175	1,667,078
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	24,425
Transfers (out)	(553,862)	(553,862)	(553,862)
Sale of capital assets	20,000	20,000	2,250
Total other financing sources (uses)	(533,862)	(533,862)	(527,187)
NET CHANGE IN FUND BALANCE	\$ (584,946)	\$ (425,687)	1,139,891
FUND BALANCE, MAY 1			6,210,566
FUND BALANCE, APRIL 30			\$ 7,350,457

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2015

BUDGETS

Annual budgets are adopted for all governmental and proprietary funds, except for the Park Trust Fund. Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual budgets lapse at fiscal year end unless specifically carried over.

The Village may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds board action. During the year, there were several budget amendments.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2015

Schedule of Funding Progress

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2009	\$ 11,020,526	\$ 13,678,757	80.57%	\$ 2,658,131	\$ 5,998,320	44.31%
2010	10,596,875	13,913,912	76.16%	3,317,037	6,003,661	55.25%
2011	9,830,479	13,370,092	73.53%	3,539,613	5,351,211	66.15%
2012	10,711,545	14,475,456	74.00%	3,763,911	5,497,495	68.47%
2013	11,367,947	14,573,576	78.00%	3,205,629	5,694,478	56.29%
2014	12,242,015	15,619,350	78.38%	3,377,335	5,728,760	58.95%

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2010	\$ 639,390	\$ 639,390	100.00%
2011	572,580	572,580	100.00%
2012	576,131	576,131	100.00%
2013	662,253	662,253	100.00%
2014	706,955	706,955	100.00%
2015	674,743	674,743	100.00%

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2015

Schedule of Funding Progress

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2010	\$ -	\$ 5,526,065	0.00%	\$ 5,526,065	\$ 14,476,772	38.17%
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	-	4,014,564	0.00%	4,014,564	14,476,772	27.73%
2013	N/A	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	-	4,526,362	0.00%	4,526,362	13,334,580	33.94%

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2010	\$ 97,023	\$ 494,972	19.60%
2011	137,686	521,996	26.38%
2012	137,686	521,996	26.38%
2013	166,295	278,303	59.75%
2014	189,804	278,303	68.20%
2015	220,582	504,244	43.75%

N/A - Valuation not performed.

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND

April 30, 2015

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2010	\$ 22,124,891	\$ 44,558,123	49.65%	\$ 22,433,232	\$ 5,290,773	424.01%
2011	25,317,418	44,435,270	56.98%	19,117,852	5,001,167	382.27%
2012	26,590,350	49,270,372	53.97%	22,680,022	5,099,437	444.76%
2013	28,591,725	51,911,261	55.08%	23,319,536	5,021,547	464.39%
2014	31,750,944	57,085,108	55.62%	25,334,164	5,210,073	486.25%
2015	34,252,188	62,861,669	54.49%	28,609,481	5,313,697	538.41%

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
FIREFIGHTERS' PENSION FUND

April 30, 2015

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2010	\$ 12,261,276	\$ 18,494,208	66.30%	\$ 6,232,932	\$ 2,942,475	211.83%
2011	13,903,949	18,200,636	76.39%	4,296,687	2,787,939	154.12%
2012	14,998,520	18,894,580	79.38%	3,896,060	2,910,441	133.86%
2013	16,176,364	20,468,175	79.03%	4,291,811	2,825,725	151.88%
2014	17,042,719	24,413,583	69.81%	7,370,864	3,031,982	243.10%
2015	18,310,749	28,231,535	64.86%	9,920,786	3,065,913	323.58%

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND**

April 30, 2015

	2015
Actuarially determined contribution	\$ 1,890,507
Contributions in relation to the actuarially determined contribution	<u>2,018,731</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ (128,224)</u>
Covered-employee payroll	\$ 5,313,697
Contributions as a percentage of covered-employee payroll	37.99%

Note: Information not available for prior years.

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

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2010	\$ 1,671,599	\$ 1,668,121	100.21%
2011	1,667,375	1,668,121	99.96%
2012	1,748,130	2,029,901	86.12%
2013	1,533,426	1,705,388	89.92%
2014	1,768,692	1,914,114	92.40%
2015	2,018,731	2,018,729	100.00%

Notes to Required Supplementary Information

This information directly above is presented in accordance with GASB Statement No. 27. The information presented was determined as part of the actuarial valuations as of May 1 of the fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 26 years; the asset valuation method was at market value and the significant actuarial assumptions were an investment rate of return at 7.00% annually, projected salary increases assumption of 5.50% compounded annually and postretirement benefit increases of 3.00% compounded annually (Tier 1) or 2.00% per year, simple (Tier 2).

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

April 30, 2015

	2015
Actuarially determined contribution	\$ 654,008
Contributions in relation to the actuarially determined contribution	<u>654,009</u>
CONTRIBUTION DEFICIENCY (Excess)	<u><u>\$ (1)</u></u>
Covered-employee payroll	\$ 3,065,913
Contributions as a percentage of covered-employee payroll	21.33%

Note: Information not available for prior years.

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

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2010	\$ 716,781	\$ 721,243	99.38%
2011	720,927	721,243	99.96%
2012	755,748	944,684	80.00%
2013	453,980	830,749	54.65%
2014	519,515	840,509	61.81%
2015	654,009	925,347	70.68%

Notes to Required Supplementary Information

This information directly above is presented in accordance with GASB Statement No. 27. The information presented was determined as part of the actuarial valuations as of May 1 of the fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 26 years; the asset valuation method was at market value and the significant actuarial assumptions were an investment rate of return at 7.00% annually, projected salary increases assumption of 5.50% compounded annually and postretirement benefit increases of 3.00% compounded annually (Tier 1) or 2.00% per year, simple (Tier 2).

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

April 30, 2015

TOTAL PENSION LIABILITY	
Service cost	\$ 1,397,914
Interest	3,918,413
Changes of benefit terms	-
Differences between expected and actual experience	(1,402,369)
Changes of assumptions	4,078,160
Benefit payments, including refunds of member contributions	<u>(2,215,557)</u>
Net change in total pension liability	5,776,561
Total pension liability - beginning	<u>57,085,108</u>
TOTAL PENSION LIABILITY - ENDING	<u><u>\$ 62,861,669</u></u>
PLAN FIDUCIARY NET POSITION	
Contributions - employer	\$ 2,018,731
Contributions - member	516,271
Net investment income	2,214,608
Benefit payments, including refunds of member contributions	(2,215,557)
Administrative expense	<u>(32,809)</u>
Net change in plan fiduciary net position	2,501,244
Plan fiduciary net position - beginning	<u>31,750,944</u>
PLAN FIDUCIARY NET POSITION - ENDING	<u><u>\$ 34,252,188</u></u>
EMPLOYER'S NET PENSION LIABILITY	<u><u>\$ 28,609,481</u></u>
Plan fiduciary net position as a percentage of the total pension liability	54.49%
Covered-employee payroll	\$ 5,313,697
Employer's net pension liability as a percentage of covered-employee payroll	538.41%

Notes to Required Supplementary Information

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

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

April 30, 2015

TOTAL PENSION LIABILITY	
Service cost	\$ 977,566
Interest	1,680,310
Changes of benefit terms	-
Differences between expected and actual experience	807,759
Changes of assumptions	1,170,637
Benefit payments, including refunds of member contributions	<u>(818,320)</u>
Net change in total pension liability	3,817,952
Total pension liability - beginning	<u>24,413,583</u>
TOTAL PENSION LIABILITY - ENDING	<u><u>\$ 28,231,535</u></u>
PLAN FIDUCIARY NET POSITION	
Contributions - employer	\$ 654,009
Contributions - member	300,585
Net investment income	1,176,055
Benefit payments, including refunds of member contributions	(818,320)
Administrative expense	<u>(44,299)</u>
Net change in plan fiduciary net position	1,268,030
Plan fiduciary net position - beginning	<u>17,042,719</u>
PLAN FIDUCIARY NET POSITION - ENDING	<u><u>\$ 18,310,749</u></u>
EMPLOYER'S NET PENSION LIABILITY	<u><u>\$ 9,920,786</u></u>
Plan fiduciary net position as a percentage of the total pension liability	64.86%
Covered-employee payroll	\$ 3,065,913
Employer's net pension liability as a percentage of covered-employee payroll	323.58%

Notes to Required Supplementary Information

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

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

April 30, 2015

	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	6.95%

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

April 30, 2015

	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	6.81%

(See independent auditor's report.)

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

MAJOR GOVERNMENTAL FUNDS

General Fund - to account for all financial resources of the general government, except those accounted for in another fund.

Capital Improvement Program Fund - to account for the resources assigned for the construction and major improvements to the Village's general infrastructure.

Debt Service Fund - to account for the resources restricted, committed or assigned for the payment of principal and interest on the Village's long-term debt obligations.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 10,201,748	\$ 10,201,748	\$ 10,156,508
Sales	6,780,000	6,780,000	7,014,499
Local use	660,000	660,000	777,386
Utility tax	1,450,000	1,450,000	1,562,992
Telecommunications	550,000	550,000	528,512
Video gaming tax	40,000	40,000	81,813
Total taxes	19,681,748	19,681,748	20,121,710
Intergovernmental			
Illinois state income tax	3,686,000	3,686,000	3,691,253
Illinois state replacement tax	145,000	145,000	166,505
State grants	2,200	37,960	35,760
Fire protection district fees	950,000	950,000	820,000
Pull tabs	2,000	2,000	995
Total intergovernmental	4,785,200	4,820,960	4,714,513
Licenses and permits			
Business licenses	31,000	31,000	38,645
Liquor licenses	47,000	47,000	47,790
Vending licenses	7,000	7,000	4,380
Rental licenses	165,000	165,000	190,998
Building permits	281,519	281,519	232,325
Electrical permits	50,562	50,562	71,104
Plumbing permits	45,000	45,000	31,424
Public service fees	35,000	35,000	23,148
Other permits	84,600	84,600	56,203
Total licenses and permits	746,681	746,681	696,017
Fines and forfeitures			
Local ordinance fines	34,000	34,000	122,478
Court fines	276,000	276,000	217,581
Admin tow fees	55,000	22,250	22,250
Asset forfeiture	20,000	20,000	5,972
Total fines and forfeitures	385,000	352,250	368,281

(This schedule is continued on the following page.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES (Continued)			
Charges for services			
Law enforcement	\$ 263,500	\$ 263,500	\$ 275,857
Fire protection	5,500	5,500	4,150
Ambulance	552,000	552,000	715,392
Environmental surcharge	724,800	724,800	735,838
Village services	20,100	20,100	66,889
Other charges for services	5,500	5,500	9,598
Total charges for services	<u>1,571,400</u>	<u>1,571,400</u>	<u>1,807,724</u>
Interest			
Investment income	20,000	20,000	(21,681)
Miscellaneous			
Cable franchise fees	350,000	350,000	404,324
Rent	86,310	86,310	86,319
Contributions	-	-	2,967
Reimbursements	74,131	74,131	68,100
Other	4,520	4,520	3,445
Total miscellaneous	<u>514,961</u>	<u>514,961</u>	<u>565,155</u>
TOTAL REVENUES	<u><u>\$ 27,704,990</u></u>	<u><u>\$ 27,708,000</u></u>	<u><u>\$ 28,251,719</u></u>

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
EXPENDITURES			
General government			
Legislative	\$ 234,252	\$ 234,252	\$ 200,529
Administration	595,215	595,215	535,409
Information technology	516,731	584,231	481,401
Finance	1,838,431	1,848,431	1,622,062
General services	-	-	29,863
Public buildings	275,726	275,726	294,292
Tax rebates	54,620	54,620	58,978
Total general government	<u>3,514,975</u>	<u>3,592,475</u>	<u>3,222,534</u>
Public safety			
Police	10,835,512	10,835,512	10,598,068
Fire and police commission	27,402	27,402	33,829
Fire	5,777,147	5,777,147	5,791,196
Total public safety	<u>16,640,061</u>	<u>16,640,061</u>	<u>16,423,093</u>
Public works			
Streets and highways	4,959,933	5,001,183	4,766,823
Vehicle maintenance	910,563	910,563	747,679
Total public works	<u>5,870,496</u>	<u>5,911,746</u>	<u>5,514,502</u>
Community development			
Planning and zoning	8,591	8,591	5,995
Community development	1,216,553	1,216,553	1,213,328
Total community development	<u>1,225,144</u>	<u>1,225,144</u>	<u>1,219,323</u>
Culture and recreation			
Parks	173,087	173,087	147,877
Total culture and recreation	<u>173,087</u>	<u>173,087</u>	<u>147,877</u>
Debt service			
Principal	332,311	57,312	57,312
Total debt service	<u>332,311</u>	<u>57,312</u>	<u>57,312</u>
TOTAL EXPENDITURES	<u><u>\$ 27,756,074</u></u>	<u><u>\$ 27,599,825</u></u>	<u><u>\$ 26,584,641</u></u>

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental	\$ 2,381,799	\$ 2,191,799	\$ 747,791
Interest	5,000	5,000	(78,723)
Miscellaneous			
Reimbursement	-	-	8,548
	2,386,799	2,196,799	677,616
EXPENDITURES			
General government			
Contractual services	-	109,000	109,029
Capital outlay	4,934,560	5,930,340	3,401,237
	4,934,560	6,039,340	3,510,266
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,547,761)	(3,842,541)	(2,832,650)
OTHER FINANCING SOURCES (USES)			
Proceeds on issuance of bonds	10,000,000	10,000,000	8,278,960
Premium on issuance	-	-	494,952
	10,000,000	10,000,000	8,773,912
NET CHANGE IN FUND BALANCE	\$ 7,452,239	\$ 6,157,459	5,941,262
FUND BALANCE, MAY 1			2,285,410
FUND BALANCE, APRIL 30			\$ 8,226,672

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 1,888,170	\$ 1,888,170	\$ 1,897,753
Local motor fuel tax	210,000	210,000	262,310
Intergovernmental	289,777	289,777	291,956
Fines and forfeitures	75,000	22,250	22,250
Investment income	100	100	(27,307)
	<hr/>	<hr/>	<hr/>
Total revenues	2,463,047	2,410,297	2,446,962
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Debt service			
Principal retirement	1,752,700	1,198,700	1,198,850
Interest and fiscal charges	1,554,861	1,355,915	1,355,384
	<hr/>	<hr/>	<hr/>
Total expenditures	3,307,561	2,554,615	2,554,234
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(844,514)	(144,318)	(107,272)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	376,950	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	376,950	-	-
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	\$ (467,564)	\$ (144,318)	(107,272)
	<hr/>	<hr/>	<hr/>
FUND BALANCE, MAY 1			649,279
			<hr/>
FUND BALANCE, APRIL 30			\$ 542,007
			<hr/>

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund - Financing is provided by tax revenues received from the state for the sale of motor fuel. Funds are restricted for street maintenance and replacement.

Veterans' Memorial Garden Fund - This fund is used to account for the funds restricted for the purpose of maintaining a Veterans' Memorial within Carpentersville, which was established in 1928 by Commission.

SSA#1 (Newport Cover) Fund - This fund is used to account for the funds restricted for the special service area established for the purpose of maintenance and improvement of the pond and related facilities on Lot 151 of the Newport Coves Subdivision.

SSA#2 (Oak Meadows) Fund - This fund is used to account for the funds restricted for the special service area established for the purpose of maintenance and improvement of the storm water management facilities on Lot 35 of the Oak Meadows Subdivision.

SSA#3 (Keele Farms)Fund - This fund is used to account for the funds restricted for the special service area established for the purpose of maintenance and improvement of the storm water management facilities on Lot 296 and Lot 297 in the Keele Farm Subdivision, Unit 1.

SSA#21 (White Oaks) Fund - This fund is used to account for the funds restricted for the special service area established for the purpose of the maintenance, repair, replacement, alteration and improvements to the detention basin located on Lot 70 and two (2) cul-de-sac islands located on Elm Ridge Court and Rosewood Drive within the White Oaks Subdivision.

TIF#1 (Spring Hill) Fund - This fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district established to reimburse specified costs of the developer for the Spring Hill Center for Commerce and Industry Redevelopment Plan and Project.

TIF#3 (Route 25) Fund - This fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district established to rehabilitate and redevelop the corridor around Route 25 through an integrated and comprehensive strategy that utilizes public resources to stimulate additional private investment in an area that would not otherwise be commercially productive.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

Foreign Fire Tax Board Fund - Financing is provided by tax revenues received from the state restricted for use by the fire department in accordance with compiled statutes.

Strengthening Families Fund - This fund is used to account for the funds restricted for the purpose of providing social services to residents with the Strengthening Families Program. This research-based program teaches parenting skills and techniques, ways to deal with peer pressure, and communication skills for both parents and their children.

Escrow Fund - This fund is used to account for the funds restricted for the purposes of developing with fees in lieu of development.

CAPITAL PROJECT FUND

Equipment Replacement Fund - This fund is used to account for taxes, transfers and advances from other funds assigned for the eventual replacement of vehicles and equipment utilized by those funds.

PERMANENT FUND

Park Trust - This fund is used to account for assets held in trust, with the investment income used to support Village parks.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2015

	Special Revenue				
	Motor	Veterans'	SSA #1	SSA #2	SSA #3
	Fuel Tax	Memorial Garden	Newport Cove	Oak Meadows	Keele Farms
ASSETS					
Cash and investments	\$ 949,491	\$ 54,609	\$ 9,743	\$ 2,167	\$ 38,389
Receivables					
Property taxes	-	-	13,700	1,000	5,000
Other	-	-	-	-	-
Prepaid items	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Due from other governments	87,662	-	-	-	-
TOTAL ASSETS	\$ 1,037,153	\$ 54,609	\$ 23,443	\$ 3,167	\$ 43,389
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 15,784	\$ -	\$ 136	\$ -	\$ -
Wages payable	-	-	-	-	-
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	15,784	-	136	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable property tax revenue	-	-	13,700	1,000	5,000
Total deferred inflows of resources	-	-	13,700	1,000	5,000
Total liabilities and deferred inflows of resources	15,784	-	13,836	1,000	5,000
FUND BALANCES					
Nonspendable					
Prepaid items	-	-	-	-	-
Restricted					
Motor fuel tax	1,021,369	-	-	-	-
Parks	-	54,609	-	-	-
Public improvements	-	-	9,607	2,167	38,389
Police purposes	-	-	-	-	-
Fire purposes	-	-	-	-	-
Assigned					
Capital projects	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficit)	1,021,369	54,609	9,607	2,167	38,389
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,037,153	\$ 54,609	\$ 23,443	\$ 3,167	\$ 43,389

SSA #21 White Oaks	TIF #1 Spring Hill	Special Revenue				Escrow	Capital Projects	Permanent	Total Nonmajor Governmental Funds
		TIF #3 Route 25	Foreign Fire Tax Board	Strengthening Families	Equipment Replacement		Park Trust		
\$ 10,072	\$ 2,238,045	\$ -	\$ 22,849	\$ 63,514	\$ 593,979	\$ 1,104,421	\$ 327,686	\$ 5,414,965	
4,500	620,151	23,557	-	-	-	-	-	667,908	
-	-	-	-	2,222	-	41,833	-	44,055	
-	142	-	-	-	-	-	-	142	
-	199,828	-	-	-	-	-	-	199,828	
-	-	-	-	-	-	-	-	87,662	
\$ 14,572	\$ 3,058,166	\$ 23,557	\$ 22,849	\$ 65,736	\$ 593,979	\$ 1,146,254	\$ 327,686	\$ 6,414,560	
\$ -	\$ 1,297	\$ 37,628	\$ -	\$ 623	\$ -	\$ -	\$ -	\$ 55,468	
-	639	-	-	733	-	-	-	1,372	
-	-	-	-	-	384,106	-	-	384,106	
-	-	199,828	-	-	-	-	-	199,828	
-	1,936	237,456	-	1,356	384,106	-	-	640,774	
4,500	620,151	23,557	-	-	-	-	-	667,908	
4,500	620,151	23,557	-	-	-	-	-	667,908	
4,500	622,087	261,013	-	1,356	384,106	-	-	1,308,682	
-	142	-	-	-	-	-	-	142	
-	-	-	-	-	-	-	-	1,021,369	
-	-	-	-	-	-	-	327,686	382,295	
10,072	2,435,937	-	-	-	209,873	-	-	2,706,045	
-	-	-	-	64,380	-	-	-	64,380	
-	-	-	22,849	-	-	-	-	22,849	
-	-	-	-	-	-	1,146,254	-	1,146,254	
-	-	(237,456)	-	-	-	-	-	(237,456)	
10,072	2,436,079	(237,456)	22,849	64,380	209,873	1,146,254	327,686	5,105,878	
\$ 14,572	\$ 3,058,166	\$ 23,557	\$ 22,849	\$ 65,736	\$ 593,979	\$ 1,146,254	\$ 327,686	\$ 6,414,560	

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Special Revenue				
	Motor Fuel Tax	Veterans' Memorial Garden	SSA #1 Newport Cove	SSA #2 Oak Meadows	SSA #3 Keele Farms
REVENUES					
Taxes	\$ -	\$ -	\$ 13,595	\$ 1,000	\$ 4,995
Intergovernmental	1,429,253	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	(11,538)	10	-	-	-
Miscellaneous	-	450	-	-	-
Total revenues	1,417,715	460	13,595	1,000	4,995
EXPENDITURES					
Current					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	656,264	-	8,647	750	5,104
Community development	-	-	-	-	-
Culture and recreation	-	686	-	-	-
Capital outlay	710,212	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	1,366,476	686	8,647	750	5,104
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	51,239	(226)	4,948	250	(109)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers (out)	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
NET CHANGE IN FUND BALANCES	51,239	(226)	4,948	250	(109)
FUND BALANCES (DEFICIT), MAY 1	970,130	54,835	4,659	1,917	38,498
FUND BALANCES (DEFICIT), APRIL 30	\$ 1,021,369	\$ 54,609	\$ 9,607	\$ 2,167	\$ 38,389

SSA #21 White Oaks	TIF #1 Spring Hill	Special Revenue				Escrow	Capital Projects	Permanent	Total Nonmajor Governmental Funds
		TIF #3 Route 25	Foreign Fire Tax Board	Strengthening Families	Equipment Replacement		Park Trust		
\$ 4,500	\$ 605,416	\$ 28,422	\$ 31,932	\$ -	\$ -	\$ 176,171	\$ -	\$ 866,031	
-	-	-	-	-	-	2,962	-	1,432,215	
-	-	-	-	-	20,000	-	-	20,000	
-	(33,266)	-	8	18	115	(10,120)	(7,643)	(62,416)	
-	-	-	-	26,667	-	-	24,425	51,542	
4,500	572,150	28,422	31,940	26,685	20,115	169,013	16,782	2,307,372	
-	-	65,291	-	-	-	-	-	65,291	
-	-	-	35,801	16,167	-	-	-	51,968	
2,250	-	-	-	-	-	-	-	673,015	
-	39,006	-	-	-	-	-	-	39,006	
-	-	-	-	-	13,570	-	2,986	17,242	
-	-	109,254	-	-	-	318,125	-	1,137,591	
-	-	-	-	-	-	117,550	-	117,550	
-	-	-	-	-	-	2,260	-	2,260	
2,250	39,006	174,545	35,801	16,167	13,570	437,935	2,986	2,103,923	
2,250	533,144	(146,123)	(3,861)	10,518	6,545	(268,922)	13,796	203,449	
-	-	-	-	53,862	-	500,000	-	553,862	
-	-	-	-	-	-	-	(24,425)	(24,425)	
-	-	-	-	-	-	19,782	-	19,782	
-	-	-	-	53,862	-	519,782	(24,425)	549,219	
2,250	533,144	(146,123)	(3,861)	64,380	6,545	250,860	(10,629)	752,668	
7,822	1,902,935	(91,333)	26,710	-	203,328	895,394	338,315	4,353,210	
\$ 10,072	\$ 2,436,079	\$ (237,456)	\$ 22,849	\$ 64,380	\$ 209,873	\$ 1,146,254	\$ 327,686	\$ 5,105,878	

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
State motor fuel tax	\$ 1,085,525	\$ 1,085,525	\$ 1,268,123
Grants	276,500	454,500	161,130
Investment income	1,000	1,000	(11,538)
Total revenues	1,363,025	1,541,025	1,417,715
EXPENDITURES			
Current			
Public works			
Commodities	440,000	440,000	472,119
Contractual services	180,000	180,000	184,145
Capital outlay	1,253,000	1,608,901	710,212
Total expenditures	1,873,000	2,228,901	1,366,476
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(509,975)	(687,876)	51,239
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(376,950)	-	-
Total other financing sources (uses)	(376,950)	-	-
NET CHANGE IN FUND BALANCE	\$ (886,925)	\$ (687,876)	51,239
FUND BALANCE, MAY 1			970,130
FUND BALANCE, APRIL 30			\$ 1,021,369

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
VETERANS' MEMORIAL GARDEN FUND**

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ -	\$ -	\$ 10
Miscellaneous	50	50	450
Total revenues	50	50	460
EXPENDITURES			
Culture and recreation			
Commodities	3,000	3,000	686
Total expenditures	3,000	3,000	686
NET CHANGE IN FUND BALANCE	\$ (2,950)	\$ (2,950)	(226)
FUND BALANCE, MAY 1			54,835
FUND BALANCE, APRIL 30			\$ 54,609

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA NO. 1
(NEWPORT COVE) FUND**

For the Year Ended April 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Taxes			
Property taxes	\$ 13,700	\$ 13,700	\$ 13,595
Total revenues	<u>13,700</u>	<u>13,700</u>	<u>13,595</u>
EXPENDITURES			
Public works			
Contractual services	<u>12,000</u>	<u>12,000</u>	<u>8,647</u>
Total expenditures	<u>12,000</u>	<u>12,000</u>	<u>8,647</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,700</u>	<u>\$ 1,700</u>	4,948
FUND BALANCE, MAY 1			<u>4,659</u>
FUND BALANCE, APRIL 30			<u>\$ 9,607</u>

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA NO. 2
(OAK MEADOWS) FUND**

For the Year Ended April 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Taxes			
Property taxes	\$ 1,000	\$ 1,000	\$ 1,000
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
EXPENDITURES			
Public works			
Contractual services	<u>1,000</u>	<u>1,000</u>	<u>750</u>
Total expenditures	<u>1,000</u>	<u>1,000</u>	<u>750</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	250
FUND BALANCE, MAY 1			<u>1,917</u>
FUND BALANCE, APRIL 30			<u><u>\$ 2,167</u></u>

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA NO. 3
(KEELE FARMS) FUND**

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 5,000	\$ 5,000	\$ 4,995
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>4,995</u>
EXPENDITURES			
Public works			
Contractual services	<u>7,000</u>	<u>7,000</u>	<u>5,104</u>
Total expenditures	<u>7,000</u>	<u>7,000</u>	<u>5,104</u>
NET CHANGE IN FUND BALANCE	<u>\$ (2,000)</u>	<u>\$ (2,000)</u>	(109)
FUND BALANCE, MAY 1			<u>38,498</u>
FUND BALANCE, APRIL 30			<u><u>\$ 38,389</u></u>

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA NO. 21
(WHITE OAKS) FUND**

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 4,500	\$ 4,500	\$ 4,500
Total revenues	<u>4,500</u>	<u>4,500</u>	<u>4,500</u>
EXPENDITURES			
Public works			
Contractual services	<u>3,500</u>	<u>3,500</u>	<u>2,250</u>
Total expenditures	<u>3,500</u>	<u>3,500</u>	<u>2,250</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>2,250</u>
FUND BALANCE, MAY 1			<u>7,822</u>
FUND BALANCE, APRIL 30			<u><u>\$ 10,072</u></u>

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING DISTRICT NO. 1
(SPRING HILL) FUND**

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property	\$ 538,017	\$ 538,017	\$ 605,416
Interest income	3,500	3,500	(33,266)
	<hr/>		
Total revenues	541,517	541,517	572,150
	<hr/>		
EXPENDITURES			
Current			
Community development			
Personnel services	26,638	26,638	26,221
Contractual services	5,900	5,900	12,785
Capital outlay	-	155,000	-
	<hr/>		
Total expenditures	32,538	187,538	39,006
	<hr/>		
NET CHANGE IN FUND BALANCE	\$ 508,979	\$ 353,979	533,144
	<hr/>		
FUND BALANCE, MAY 1			1,902,935
	<hr/>		
FUND BALANCE, APRIL 30			\$ 2,436,079
	<hr/>		

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING DISTRICT NO. 3
(ROUTE 25) FUND**

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property	\$ -	\$ -	\$ 28,422
Total revenues	-	-	28,422
EXPENDITURES			
Current			
General government			
Contractual services	62,050	62,050	65,291
Capital outlay	-	1,200,000	109,254
Total expenditures	62,050	1,262,050	174,545
NET CHANGE IN FUND BALANCE	\$ (62,050)	\$ (1,262,050)	(146,123)
FUND BALANCE (DEFICIT), MAY 1			(91,333)
FUND BALANCE (DEFICIT), APRIL 30			\$ (237,456)

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOREIGN FIRE TAX BOARD FUND**

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Foreign fire	\$ 26,400	\$ 26,400	\$ 31,932
Interest	8	8	8
	<hr/>	<hr/>	<hr/>
Total revenues	26,408	26,408	31,940
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Public safety			
Commodities	21,100	29,115	29,096
Contractual services	5,300	6,710	6,705
	<hr/>	<hr/>	<hr/>
Total expenditures	26,400	35,825	35,801
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ 8</u>	<u>\$ (9,417)</u>	(3,861)
FUND BALANCE, MAY 1			<hr/> 26,710
FUND BALANCE, APRIL 30			<hr/> <u>\$ 22,849</u>

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Interest income	\$ 10	\$ 10	\$ 18
Miscellaneous Contributions	26,667	26,667	26,667
Total revenues	26,677	26,677	26,685
EXPENDITURES			
Public Safety			
Personnel services	22,294	22,294	13,126
Contractual services	-	-	60
Commodities	2,000	2,000	2,981
Total expenditures	24,294	24,294	16,167
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,383	2,383	10,518
OTHER FINANCING SOURCES (USES)			
Transfers in	53,862	53,862	53,862
Total other financing sources (uses)	53,862	53,862	53,862
NET CHANGE IN FUND BALANCE	\$ 56,245	\$ 56,245	64,380
FUND BALANCE, MAY 1			-
FUND BALANCE, APRIL 30			\$ 64,380

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Charges for services	\$ 4,000	\$ 4,000	\$ 20,000
Interest income	15	15	115
Total revenues	<u>4,015</u>	<u>4,015</u>	<u>20,115</u>
EXPENDITURES			
Culture and recreation			
Contractual services	<u>25,000</u>	<u>25,000</u>	<u>13,570</u>
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>13,570</u>
NET CHANGE IN FUND BALANCE	<u>\$ (20,985)</u>	<u>\$ (20,985)</u>	6,545
FUND BALANCE, MAY 1			<u>203,328</u>
FUND BALANCE, APRIL 30			<u><u>\$ 209,873</u></u>

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Telecom	\$ 190,000	\$ 190,000	\$ 176,171
Intergovernmental	1,000	1,000	2,962
Interest	1,200	1,200	(10,120)
Total revenues	192,200	192,200	169,013
EXPENDITURES			
Capital outlay	664,972	545,162	318,125
Debt service			
Principal	-	119,810	117,550
Interest and fiscal charges	-	-	2,260
Total expenditures	664,972	664,972	437,935
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(472,772)	(472,772)	(268,922)
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital assets	-	-	19,782
Transfers in	600,000	600,000	500,000
Total other financing sources (uses)	600,000	600,000	519,782
NET CHANGE IN FUND BALANCE	\$ 127,228	\$ 127,228	250,860
FUND BALANCE, MAY 1			895,394
FUND BALANCE, APRIL 30			\$ 1,146,254

(See independent auditor's report.)

PROPRIETARY FUNDS

MAJOR ENTERPRISE FUND

Waterworks and Sewerage Fund - to account for revenues and expenses relative to the operation of the water and sewer utilities.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
OPERATING REVENUES			
Charges for services			
Water	\$ 4,162,725	\$ 4,162,725	\$ 4,156,002
Sewer	3,978,976	3,978,976	3,984,523
Service fees and penalties	245,500	245,500	278,765
Miscellaneous			
Rental income	43,175	43,175	72,165
Other	4,200	4,200	707
	<hr/>	<hr/>	<hr/>
Total operating revenues	8,434,576	8,434,576	8,492,162
OPERATING EXPENSES			
Administration	736,251	736,251	649,848
Operations	5,074,428	9,708,989	6,247,254
	<hr/>	<hr/>	<hr/>
Total operating expenses	5,810,679	10,445,240	6,897,102
OPERATING INCOME	<hr/>	<hr/>	<hr/>
	2,623,897	(2,010,664)	1,595,060
NON-OPERATING REVENUES (EXPENSES)			
Gain on sale of equipment	-	-	2,350
Principal payments	(1,548,931)	(1,363,931)	(1,256,596)
Investment income	12,000	12,000	(79,508)
Interest and fiscal charges	(667,501)	(678,851)	(630,227)
	<hr/>	<hr/>	<hr/>
Total non-operating revenues (expenses)	(2,204,432)	(2,030,782)	(1,963,981)
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL GRANTS AND CONTRIBUTIONS	<hr/>	<hr/>	<hr/>
	419,465	(4,041,446)	(368,921)
TRANSFERS			
Transfers (out)	(100,000)	(100,000)	-
CAPITAL GRANTS AND CONTRIBUTIONS			
	<hr/>	<hr/>	<hr/>
	-	201,761	968,186
CHANGE IN NET POSITION - BUDGET BASIS	<hr/>	<hr/>	<hr/>
	\$ 319,465	\$ (3,939,685)	599,265
Principal paid			1,256,596
Depreciation			(2,244,220)
Capital outlay capitalized			<hr/> 1,898,965
CHANGE IN NET POSITION - GAAP BASIS			1,510,606
NET POSITION, MAY 1			<hr/> 38,510,350
NET POSITION, APRIL 30			<hr/> <u>\$ 40,020,956</u>

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL - BUDGETARY BASIS
WATERWORKS AND SEWERAGE FUND**

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
WATER DEPARTMENT			
Water facilities			
Personnel services			
Employee salaries	\$ 571,903	\$ 571,903	\$ 581,360
Employee overtime	29,500	29,500	19,916
FICA/Medicare/IMRF	118,784	118,784	116,337
Health insurance	102,128	102,128	102,128
Compensated absences	-	-	347
Longevity	4,119	4,119	4,279
Sick leave incentive	2,699	2,699	800
Total personnel services	829,133	829,133	825,167
Commodities			
Building	4,500	4,500	4,578
Maintenance materials	5,500	5,500	5,105
Automotive	300	300	139
Tools and equipment	6,500	6,500	6,582
Office	1,200	1,200	1,191
Operating	13,000	13,000	26,406
Meters	197,700	197,700	163,831
Chemicals	40,000	40,000	44,602
Total commodities	268,700	268,700	252,434
Contractual services			
Dues and publications	855	855	387
Training and meeting	3,000	3,000	4,181
Building grounds	2,500	2,500	5,626
Professional services	439,750	439,750	193,925
Maintenance equipment	32,000	32,000	47,738
Electric	200,000	200,000	201,329
Heating	10,000	10,000	10,434
Telephone data	3,900	3,900	3,453
Water softener salt	213,750	213,750	197,508
Water well	60,000	60,000	33,189
Water alarm	660	660	323
Total contractual services	966,415	966,415	698,093
Capital outlay	30,000	30,000	85,001
Total water facilities	2,094,248	2,094,248	1,860,695

(This schedule is continued on the following pages.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
WATER DEPARTMENT (Continued)			
Water administrative and general			
Personnel services			
Employee salaries	\$ 360,128	\$ 360,128	\$ 279,769
FICA/Medicare/IMRF	71,686	71,686	53,892
Health insurance	65,939	65,939	65,939
Compensated absences	-	-	(9,522)
Longevity	1,020	1,020	680
Sick leave incentive	2,000	2,000	500
Other postemployment benefits	-	-	29,180
Total personnel services	500,773	500,773	420,438
Administrative and general overhead	235,478	235,478	229,410
Total water administrative and general	736,251	736,251	649,848
Total water department	2,830,499	2,830,499	2,510,543
SEWER DEPARTMENT			
Sewer facilities			
Personnel services			
Employee salaries	620,168	620,168	590,510
Employee overtime	31,000	31,000	24,501
FICA/Medicare/IMRF	128,412	128,412	119,001
Health insurance	141,156	141,156	141,156
Compensated absences	-	-	(3,401)
Longevity	3,111	3,111	3,135
Attendance incentive	2,694	2,694	3,297
Other postemployment benefits	12,000	12,000	-
Total personnel services	938,541	938,541	878,199
Commodities			
Building	8,000	8,000	13,562
Maintenance materials	20,000	20,000	30,963
Lift station	12,000	12,000	8,580
Automotive	200	200	726
Tools and equipment	25,000	25,000	32,457
Office	1,000	1,000	769
Operating	9,500	9,500	9,830
Chemicals	53,000	53,000	44,581
Total commodities	128,700	128,700	141,468

(This schedule is continued on the following pages.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
SEWER DEPARTMENT (Continued)			
Sewer facilities (Continued)			
Contractual services			
Dues and publications	\$ 250	\$ 250	\$ 240
Printing	650	650	933
Training and meeting	3,000	3,000	3,258
Other service	47,000	47,000	36,459
Building grounds	4,100	4,100	13,098
Maintenance equipment	142,000	142,000	69,798
Electricity	226,000	226,000	221,690
Heating	8,500	8,500	7,559
Telephone data	2,600	2,600	2,486
Sludge disposal	113,000	113,000	108,120
Testing	4,000	4,000	4,125
Total contractual services	551,100	551,100	467,766
Capital outlay	120,000	2,087,876	723,980
Total sewer facilities	1,738,341	3,706,217	2,211,413
Sewer underground			
Personnel services			
Employee salaries	572,693	572,693	557,851
Employee overtime	47,300	47,300	29,977
FICA/Medicare/IMRF	123,928	123,928	111,614
Health insurance	146,558	146,558	146,558
Compensated absences	-	-	19,321
Longevity	4,560	4,560	4,560
Sick leave incentive	3,250	3,250	1,500
Total personnel services	898,289	898,289	871,381
Commodities			
Building	300	300	226
Street	14,000	14,000	13,043
Maintenance materials	26,000	26,000	24,481
Sanitary sewer	13,600	13,600	12,932
Automotive	500	500	1,275
Tools and equipment	8,100	8,100	8,583
Office	400	400	344
Operating	7,000	7,000	7,953
Valves and pipes	64,000	64,000	76,726
Total commodities	133,900	133,900	145,563

(This schedule is continued on the following page.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
SEWER DEPARTMENT (Continued)			
Sewer underground (Continued)			
Contractual services			
Dues and publications	\$ 550	\$ 550	\$ 647
Training and meeting	1,900	1,900	3,493
Other service	11,000	11,000	12,013
Maintenance equipment	55,800	55,800	67,821
Maintenance vehicles	500	500	-
Maintenance building and grounds	900	900	704
Printing	200	200	-
Telephone data	1,800	1,800	1,578
Total contractual services	72,650	72,650	86,256
Capital outlay	137,000	2,803,685	1,071,946
Total sewer underground	1,241,839	3,908,524	2,175,146
Total sewer department	2,980,180	7,614,741	4,386,559
TOTAL OPERATING EXPENSES, EXCLUDING AMORTIZATION AND DEPRECIATION	\$ 5,810,679	\$ 10,445,240	\$ 6,897,102

(See independent auditor's report.)

INTERNAL SERVICE FUND

Insurance Fund - to account for all costs associated with the Village's insurance and self-insurance risks.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
INSURANCE FUND**

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Employer contributions	\$ 3,774,303	\$ 3,774,303	\$ 3,774,303
Employee contributions	333,787	333,787	327,348
Non-employee insurance contributions	360,000	360,000	345,105
Miscellaneous			
Reimbursements	-	-	96,873
	<hr/>		
Total operating revenues	4,468,090	4,468,090	4,543,629
	<hr/>		
OPERATING EXPENSES			
Operations			
Health insurance	3,600,808	3,600,808	3,186,251
Risk management	913,483	913,483	966,913
	<hr/>		
Total operating expenses	4,514,291	4,514,291	4,153,164
	<hr/>		
CHANGE IN NET POSITION	\$ (46,201)	\$ (46,201)	390,465
	<hr/>		
NET POSITION, MAY 1			14,215
	<hr/>		
NET POSITION, APRIL 30			\$ 404,680
	<hr/>		

(See independent auditor's report.)

FIDUCIARY FUNDS

PENSION TRUST FUNDS

Police Pension Fund - to account for the accumulation of resources to pay pension costs. Resources are contributed by sworn police personnel at rates fixed by state statutes and by the Village based upon an annual actuarial valuation.

Firefighters' Pension Fund - to account for the accumulation of resources to pay pension costs. Resources are contributed by sworn fire personnel at rates fixed by state statutes and by the Village based upon an annual actuarial valuation.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

April 30, 2015

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ASSETS			
Cash and cash equivalents	\$ -	\$ 4,553	\$ 4,553
Investments, at fair value			
Money market mutual funds	392,049	204,282	596,331
U.S. Treasury obligations	4,293,174	1,484,017	5,777,191
U.S. agency obligations	5,332,093	5,963,022	11,295,115
Municipal bonds	-	1,437,060	1,437,060
Equities	12,546,345	-	12,546,345
Corporate bonds	1,744,368	-	1,744,368
Equity mutual funds	9,806,854	9,158,589	18,965,443
Receivables			
Accrued interest	114,884	65,931	180,815
Prepaid expenses	23,911	517	24,428
Total assets	34,253,678	18,317,971	52,571,649
LIABILITIES			
Accounts payable	1,490	7,222	8,712
Total liabilities	1,490	7,222	8,712
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
	\$ 34,252,188	\$ 18,310,749	\$ 52,562,937

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

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

For the Year Ended April 30, 2015

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ADDITIONS			
Contributions			
Employer contributions	\$ 2,018,731	\$ 654,009	\$ 2,672,740
Employee contributions	516,271	300,585	816,856
Total contributions	2,535,002	954,594	3,489,596
Investment income			
Net appreciation in fair value of investments	1,422,352	567,972	1,990,324
Interest	932,110	662,469	1,594,579
Total investment income	2,354,462	1,230,441	3,584,903
Less investment expense	(139,854)	(54,386)	(194,240)
Net investment income	2,214,608	1,176,055	3,390,663
Total additions	4,749,610	2,130,649	6,880,259
DEDUCTIONS			
Administration	32,809	44,299	77,108
Pension benefits and refunds	2,215,557	818,320	3,033,877
Total deductions	2,248,366	862,619	3,110,985
CHANGE IN NET POSITION	2,501,244	1,268,030	3,769,274
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
May 1	31,750,944	17,042,719	48,793,663
April 30	\$ 34,252,188	\$ 18,310,749	\$ 52,562,937

(See independent auditor's report.)

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	104-113
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	114-119
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	120-123
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	124-125
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	126-128

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

VILLAGE OF CARPENTERSVILLE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2006	2007	2008	2009
GOVERNMENTAL ACTIVITIES				
Net investment				
in capital assets	\$ 52,937,639	\$ 59,316,754	\$ 61,721,718	\$ 60,725,028
Restricted	4,393,997	4,241,765	4,069,115	3,734,343
Unrestricted	4,977,837	5,300,206	4,978,269	5,499,191
TOTAL GOVERNMENTAL ACTIVITIES	\$ 62,309,473	\$ 68,858,725	\$ 70,769,102	\$ 69,958,562
BUSINESS-TYPE ACTIVITIES				
Net investment				
in capital assets	\$ 28,858,904	\$ 31,795,655	\$ 35,648,176	\$ 34,664,845
Restricted	-	-	-	-
Unrestricted	9,114,050	8,460,631	7,383,975	6,267,029
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 37,972,954	\$ 40,256,286	\$ 43,032,151	\$ 40,931,874
PRIMARY GOVERNMENT				
Net investment				
in capital assets	\$ 81,796,543	\$ 91,112,409	\$ 97,369,894	\$ 95,389,873
Restricted	4,393,997	4,241,765	4,069,115	3,734,343
Unrestricted	14,091,887	13,760,837	12,362,244	11,766,220
TOTAL PRIMARY GOVERNMENT	\$ 100,282,427	\$ 109,115,011	\$ 113,801,253	\$ 110,890,436

Data Source

Audited Financial Statements

2010	2011	2012	2013	2014	2015
\$ 69,438,643	\$ 68,487,393	\$ 68,905,034	\$ 67,264,235	\$ 71,003,712	\$ 74,204,672
3,820,380	2,880,926	4,181,749	3,862,323	4,363,328	4,925,886
(809,335)	508,223	(514,535)	1,528,171	1,645,509	219,766
<u>\$ 72,449,688</u>	<u>\$ 71,876,542</u>	<u>\$ 72,572,248</u>	<u>\$ 72,654,729</u>	<u>\$ 77,012,549</u>	<u>\$ 79,350,324</u>
\$ 35,221,703	\$ 34,253,748	\$ 33,583,685	\$ 32,738,403	\$ 33,383,375	\$ 34,242,241
-	-	-	-	-	-
5,146,465	4,778,620	4,893,037	5,390,950	5,126,975	5,778,715
<u>\$ 40,368,168</u>	<u>\$ 39,032,368</u>	<u>\$ 38,476,722</u>	<u>\$ 38,129,353</u>	<u>\$ 38,510,350</u>	<u>\$ 40,020,956</u>
\$ 104,660,346	\$ 102,741,141	\$ 102,488,719	\$ 100,002,638	\$ 104,387,087	\$ 108,446,913
3,820,380	2,880,926	4,181,749	3,862,323	4,363,328	4,925,886
4,337,130	5,286,843	4,378,502	6,919,121	6,772,484	5,998,481
<u>\$ 112,817,856</u>	<u>\$ 110,908,910</u>	<u>\$ 111,048,970</u>	<u>\$ 110,784,082</u>	<u>\$ 115,522,899</u>	<u>\$ 119,371,280</u>

VILLAGE OF CARPENTERSVILLE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

	2006	2007	2008	2009
EXPENSES				
Governmental Activities				
General government	\$ 2,639,987	\$ 2,776,222	\$ 2,727,628	\$ 2,923,365
Public safety	11,832,212	13,254,573	13,943,995	14,820,887
Highways and streets	4,770,965	6,397,636	7,468,853	8,098,904
Community development	1,993,506	1,716,270	1,979,038	1,848,358
Culture and recreation	42,066	52,355	136,652	141,630
Interest and fiscal charges	129,776	309,424	308,839	460,971
Total governmental activities expenses	21,408,512	24,506,480	26,565,005	28,294,115
Business-Type Activities				
Water and sewer	5,800,998	7,129,154	7,475,226	7,960,122
Total business-type activities expenses	5,800,998	7,129,154	7,475,226	7,960,122
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 27,209,510	\$ 31,635,634	\$ 34,040,231	\$ 36,254,237
PROGRAM REVENUES				
Governmental Activities				
Charges for services				
General government	\$ 832,327	\$ 759,788	\$ 742,410	\$ 822,343
Public safety	1,982,681	2,044,888	2,420,812	2,332,098
Highways and streets	1,854,820	1,685,876	1,024,426	1,012,787
Community development	17,563	23,461	28,020	33,420
Operating grants and contributions	429,919	330,003	77,116	46,256
Capital grants and contributions	3,871,803	6,895,645	4,319,432	2,272,240
Total governmental activities program revenues	8,989,113	11,739,661	8,612,216	6,519,144
Business-Type Activities				
Charges for services				
Water and sewer	6,606,345	5,985,811	5,395,767	5,677,714
Operating grants and contributions	-	-	-	-
Capital grants and contributions	622,996	2,930,292	4,386,370	10,686
Total business-type activities program revenues	7,229,341	8,916,103	9,782,137	5,688,400
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 16,218,454	\$ 20,655,764	\$ 18,394,353	\$ 12,207,544
NET REVENUES (EXPENSES)				
Governmental activities	\$ (12,419,399)	\$ (12,766,819)	\$ (17,952,789)	\$ (21,774,971)
Business-type activities	1,428,343	1,786,949	2,306,911	(2,271,722)
TOTAL PRIMARY GOVERNMENT NET REVENUES (EXPENSES)	\$ (10,991,056)	\$ (10,979,870)	\$ (15,645,878)	\$ (24,046,693)

2010	2011	2012	2013*	2014	2015
\$ 2,853,593	\$ 2,390,453	\$ 2,722,030	\$ 2,281,909	\$ 3,463,699	\$ 3,068,941
15,706,172	14,028,417	14,157,163	17,077,983	16,729,905	17,426,252
6,484,488	7,969,022	7,656,046	8,215,225	8,603,291	8,884,557
1,868,828	1,719,127	1,443,759	1,818,908	1,294,810	1,376,258
140,459	132,958	211,356	136,440	193,463	184,862
541,615	1,208,904	1,493,384	1,460,952	1,385,304	1,426,663
27,595,155	27,448,881	27,683,738	30,991,417	31,670,472	32,367,533
8,019,962	7,803,929	7,579,013	8,310,778	7,962,573	7,872,584
8,019,962	7,803,929	7,579,013	8,310,778	7,962,573	7,872,584
\$ 35,615,117	\$ 35,252,810	\$ 35,262,751	\$ 39,302,195	\$ 39,633,045	\$ 40,240,117
\$ 761,390	\$ 736,251	\$ 734,263	\$ 697,551	\$ 1,303,596	\$ 852,819
2,535,773	2,603,446	2,034,826	2,299,566	1,363,971	1,409,904
1,078,688	1,488,860	1,007,358	1,256,200	764,335	749,638
398,313	297,958	244,260	362,249	19,450	7,360
43,893	225,386	540,523	584,260	2,368,312	2,418,801
6,579,375	2,043,895	2,532,024	1,786,938	2,335,740	3,202,586
11,397,432	7,395,796	7,093,254	6,986,764	8,155,404	8,641,108
5,743,824	5,813,101	6,972,009	7,776,607	8,184,588	8,419,290
-	-	-	-	6,072	-
1,629,016	-	30,000	266,496	1,255,682	968,186
7,372,840	5,813,101	7,002,009	8,043,103	9,446,342	9,387,476
\$ 18,770,272	\$ 13,208,897	\$ 14,095,263	\$ 15,029,867	\$ 17,601,746	\$ 18,028,584
\$ (16,197,723)	\$ (20,053,085)	\$ (20,590,484)	\$ (24,004,653)	\$ (23,515,068)	\$ (23,726,425)
(647,122)	(1,990,828)	(577,004)	(267,675)	1,483,769	1,514,892
\$ (16,844,845)	\$ (22,043,913)	\$ (21,167,488)	\$ (24,272,328)	\$ (22,031,299)	\$ (22,211,533)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 5,929,573	\$ 6,792,096	\$ 7,464,166	\$ 7,643,392
Sales and use	5,211,948	5,597,614	6,079,532	6,155,546
Utility	1,567,719	1,411,704	1,484,257	1,479,189
Local motor fuel	-	-	-	-
Other	162,396	196,596	214,450	702,120
Intergovernmental	2,274,502	3,003,525	3,258,589	2,770,355
Investment earnings	648,975	1,140,560	699,622	902,823
Miscellaneous	510,074	635,425	629,807	1,283,901
Contributions	1,380	6,923	32,743	27,105
Gain of sale of capital assets	-	-	-	-
Transfers	-	-	-	-
	<hr/>			
Total governmental activities	16,306,567	18,784,443	19,863,166	20,964,431
	<hr/>			
Business-Type Activities				
Investment earnings	151,893	495,695	466,410	153,021
Miscellaneous	2,053	688	2,544	18,424
Transfers	-	-	-	-
	<hr/>			
Total business-type activities	153,946	496,383	468,954	171,445
	<hr/>			
TOTAL PRIMARY GOVERNMENT	\$ 16,460,513	\$ 19,280,826	\$ 20,332,120	\$ 21,135,876
	<hr/>			
CHANGE IN NET POSITION				
Governmental activities	\$ 3,887,168	\$ 6,017,624	\$ 1,910,377	\$ (810,540)
Business-type activities	1,582,289	2,283,332	2,775,865	(2,100,277)
	<hr/>			
TOTAL PRIMARY GOVERNMENT				
CHANGE IN NET POSITION	\$ 5,469,457	\$ 8,300,956	\$ 4,686,242	\$ (2,910,817)
	<hr/>			

* The Village began recording the property tax levies for the Police and Firefighters' Pension funds as both a revenue and an expenditure in the General Fund in fiscal year 2013.

Data Source

Audited Financial Statements

	2010	2011	2012	2013*	2014	2015
\$	7,834,711	\$ 8,339,117	\$ 8,926,796	\$ 11,540,085	\$ 12,153,210	\$ 12,712,189
	5,796,490	6,097,724	7,172,770	6,587,215	6,555,619	7,791,885
	1,313,416	1,350,435	1,445,519	1,466,585	1,620,073	1,562,992
	-	-	-	-	266,189	262,310
	452,242	460,608	472,682	402,736	840,258	818,428
	2,630,608	2,727,726	2,494,821	3,396,732	3,843,504	3,857,758
	178,003	273,296	205,844	44,093	46,941	(190,127)
	383,590	859,567	544,901	549,688	529,558	520,791
	7,387	2,000	22,857	-	-	-
	-	-	-	-	24,946	22,032
	92,402	(627,534)	-	100,000	1,159,903	-
	18,688,849	19,482,939	21,286,190	24,087,134	27,040,201	27,358,258
	116,275	11,231	6,882	14,177	12,488	(79,508)
	59,543	16,263	14,476	6,129	274,609	75,222
	(92,402)	627,534	-	(100,000)	(1,159,903)	-
	83,416	655,028	21,358	(79,694)	(872,806)	(4,286)
\$	18,772,265	\$ 20,137,967	\$ 21,307,548	\$ 24,007,440	\$ 26,167,395	\$ 27,353,972
\$	2,491,126	\$ (570,146)	\$ 695,706	\$ 82,481	\$ 3,525,133	\$ 3,631,833
	(563,706)	(1,335,800)	(555,646)	(347,369)	610,963	1,510,606
\$	1,927,420	\$ (1,905,946)	\$ 140,060	\$ (264,888)	\$ 4,136,096	\$ 5,142,439

VILLAGE OF CARPENTERSVILLE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2006	2007	2008	2009
GENERAL FUND				
Nonspendable				
Prepaid items	\$ -	\$ -	\$ -	\$ -
Restricted				
Police department programs	-	-	-	-
Asset forfeiture	-	-	-	-
Assigned				
Community improvements	-	-	-	-
Subsequent year's budget	-	-	-	-
Carryforwards	-	-	-	-
Unassigned	-	-	-	-
Reserved	635,487	859,862	751,132	356,859
Unreserved	5,036,041	5,075,576	5,247,538	4,891,184
TOTAL GENERAL FUND	\$ 5,671,528	\$ 5,935,438	\$ 5,998,670	\$ 5,248,043
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable				
Prepaid items	\$ -	\$ -	\$ -	\$ -
Advances	-	-	-	-
Restricted				
Police department programs	-	-	-	-
Motor fuel tax	-	-	-	-
Parks	-	-	-	-
Capital projects	-	-	-	-
Public improvements	-	-	-	-
Fire purposes	-	-	-	-
Debt Service	-	-	-	-
Assigned				
Capital projects	-	-	-	-
Carryforwards	-	-	-	-
Unassigned, reported in				
Special revenue funds	-	-	-	-
Capital project funds	-	-	-	-
Reserved	3,082,470	1,256,070	719,619	5,361,638
Unreserved, reported in				
Special revenue funds	1,585,517	3,229,631	3,580,269	3,324,826
Capital project funds	1,140,828	5,353,858	2,547,002	2,089,602
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 5,808,815	\$ 9,839,559	\$ 6,846,890	\$ 10,776,066

* The Village implemented GASB Statement No. 54 as of April 30, 2012.

Data Source

Audited Financial Statements

	2010	2011	2012*	2013	2014	2015
\$	-	\$ -	\$ 281,293	\$ 299,982	\$ 28,969	\$ 39,896
	-	-	82,527	32,947	53,862	-
	-	-	-	-	192,132	186,941
	-	-	-	-	42,178	107,268
	-	-	-	-	531,084	-
	-	-	93,980	445,873	118,750	50,000
	-	-	4,178,189	4,594,252	5,243,591	6,262,055
	1,810,930	283,588	-	-	-	-
	1,249,519	2,738,487	-	-	-	-
\$	3,060,449	\$ 3,022,075	\$ 4,635,989	\$ 5,373,054	\$ 6,210,566	\$ 6,646,160
\$	-	\$ -	\$ -	\$ -	\$ 429	\$ 142
	-	-	-	-	80,665	#REF!
	-	-	-	-	-	64,380
	-	-	1,305,370	1,426,332	970,130	1,021,369
	-	-	54,043	54,611	393,150	382,295
	-	-	6,617,269	1,985,129	-	-
	-	-	909,777	1,983,547	2,078,205	2,706,045
	-	-	38,248	36,692	26,710	22,849
	-	-	892,900	803,049	649,139	542,007
	-	-	212,195	1,473,791	1,698,024	1,146,254
	-	-	-	904,362	1,482,780	-
	-	-	(45,641)	(18,178)	(91,333)	(237,456)
	-	-	-	-	-	-
	1,607,899	1,266,048	-	-	-	-
	3,489,563	3,474,330	-	-	-	-
	(2,279,789)	13,247,392	-	-	-	-
\$	2,817,673	\$ 17,987,770	\$ 9,984,161	\$ 8,649,335	\$ 7,287,899	#REF!

VILLAGE OF CARPENTERSVILLE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2006	2007	2008	2009
REVENUES				
Taxes	\$ 15,146,137	\$ 17,001,535	\$ 18,500,995	\$ 18,525,185
Intergovernmental	2,874,680	2,894,935	2,804,058	3,176,894
Licenses and permits	1,649,660	1,431,063	1,298,635	1,499,358
Fines and forfeitures	590,289	625,312	576,710	569,590
Charges for services	918,254	923,091	1,279,666	1,492,650
Investment income	533,325	1,153,262	746,955	870,753
Miscellaneous	1,360,858	1,062,846	928,709	1,146,724
Total revenues	23,073,203	25,092,044	26,135,728	27,281,154
EXPENDITURES				
General government	2,574,853	4,330,705	2,662,854	2,846,950
Public safety	11,754,612	12,656,119	13,823,810	14,494,721
Public works	3,871,134	4,557,505	5,204,268	5,886,022
Community development	2,012,761	1,758,962	2,046,670	1,945,120
Culture and recreation	42,066	52,355	133,988	169,295
Debt service				
Principal	322,500	332,500	517,500	468,750
Interest	135,941	309,252	318,162	383,126
Capital outlay	1,647,736	2,450,666	4,386,193	4,575,570
Total expenditures	22,361,603	26,448,064	29,093,445	30,769,554
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	711,600	(1,356,020)	(2,957,717)	(3,488,400)
OTHER FINANCING SOURCES (USES)				
Transfers in	382,772	381,187	381,928	382,247
Transfers (out)	(382,772)	(381,187)	(381,928)	(382,247)
Bonds issued	-	5,000,000	-	6,700,000
Bond issuance costs	-	-	-	(65,223)
Premium on bonds issued	-	85,289	-	-
Capital lease	-	-	-	-
Sale of capital assets	-	33,758	28,280	32,172
Total other financing sources (uses)	-	5,119,047	28,280	6,666,949
NET CHANGE IN FUND BALANCES	\$ 711,600	\$ 3,763,027	\$ (2,929,437)	\$ 3,178,549
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	1.94%	2.26%	2.55%	2.44%

Data Source

Audited Financial Statements

2010	2011	2012	2013	2014	2015
\$ 17,026,816	\$ 19,252,124	\$ 20,522,991	\$ 23,393,353	\$ 21,435,351	\$ 23,147,804
3,025,051	3,024,388	3,772,840	3,062,165	6,827,783	7,186,475
1,572,549	1,411,820	1,416,228	1,506,600	1,201,973	696,017
507,637	507,610	545,393	416,421	426,802	368,281
1,518,178	2,354,945	1,774,945	2,138,241	1,721,881	1,849,974
259,101	364,679	227,365	44,093	46,941	(190,127)
556,800	965,110	550,580	409,238	628,003	625,245
24,466,132	27,880,676	28,810,342	30,970,111	32,288,734	33,683,669
2,267,779	2,362,357	2,664,634	3,068,266	3,302,152	3,396,854
14,498,478	13,697,709	13,620,554	15,558,217	15,673,106	16,475,061
5,245,326	5,660,245	5,108,788	5,494,017	5,888,530	6,187,517
1,865,603	1,730,193	1,457,576	1,816,542	1,299,271	1,258,329
142,130	139,029	207,653	133,078	190,218	165,119
775,561	794,791	1,505,211	1,597,889	2,120,233	1,373,712
547,955	1,119,833	1,492,405	1,459,828	1,426,366	1,357,644
9,386,373	6,653,317	10,189,531	2,893,822	4,689,098	4,538,828
34,729,205	32,157,474	36,246,352	32,021,659	34,588,974	34,753,064
(10,263,073)	(4,276,798)	(7,436,010)	(1,051,548)	(2,300,240)	(1,069,395)
473,261	3,051,575	796,337	1,339,868	3,227,398	578,287
(380,859)	(3,679,109)	(796,337)	(1,239,868)	(2,177,165)	(578,287)
-	20,000,000	-	-	-	8,278,960
-	-	-	-	-	-
-	36,025	-	-	-	494,952
-	-	-	350,000	-	-
24,684	-	46,808	3,787	24,946	22,032
117,086	19,408,491	46,808	453,787	1,075,179	8,795,944
\$ (10,145,987)	\$ 15,131,693	\$ (7,389,202)	\$ (597,761)	\$ (1,225,061)	\$ 7,726,549
3.00%	5.04%	6.63%	8.81%	11.38%	8.70%

VILLAGE OF CARPENTERSVILLE, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Property	Kane County Total Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value as a percent of Actual Value
2005	\$ 525,230,256	\$ 64,447,072	\$ 9,592,567	\$ 660,340	\$ 599,930,235	\$ 599,930,235	\$ 1.3364	\$ 1,799,790,705	33.333%
2006	560,072,824	70,471,176	17,713,603	912,829	649,170,432	649,170,432	1.3213	1,947,511,296	33.333%
2007	595,471,083	71,626,130	16,422,745	1,065,398	684,585,356	684,585,356	1.3313	2,053,756,068	33.333%
2008	628,180,843	74,942,662	16,281,968	1,097,690	720,503,163	720,503,163	1.3307	2,161,509,489	33.333%
2009	617,345,060	72,843,582	16,425,237	1,052,881	707,666,760	707,666,760	1.4500	2,123,000,280	33.333%
2010	568,109,153	64,028,623	14,989,957	982,262	648,109,995	648,109,995	1.6902	1,944,329,985	33.333%
2011	466,103,518	73,668,858	15,580,293	1,118,081	556,470,750	556,470,750	1.9580	1,669,412,250	33.333%
2012	409,324,723	70,277,460	15,113,716	953,898	495,669,797	495,669,797	2.2993	1,487,009,391	33.333%
2013	368,855,199	63,002,861	12,986,935	814,219	445,659,214	445,659,214	2.6707	1,336,977,642	33.333%
2014	351,982,353	59,348,248	12,152,266	625,601	424,108,468	424,108,468	2.9454	1,272,325,404	33.333%

Note: Property in the Village is reassessed every three years. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

VILLAGE OF CARPENTERSVILLE, ILLINOIS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Village Direct Rates										
Carpentersville Village	1.3367	1.0519	1.0239	1.3316	1.4517	1.6930	1.9613	2.2993	2.6707	2.9454
Carpentersville IMRF	-	0.2702	0.3080	-	-	-	-	-	-	-
Total direct tax rate	1.3367	1.3221	1.3319	1.3316	1.4517	1.6930	1.9613	2.2993	2.6707	2.9454
Overlapping Rates										
School District 300 residents:										
Kane County	0.3367	0.2847	0.2750	0.3336	0.3398	0.3730	0.3990	0.4336	0.4623	0.3794
Kane County IMRF	-	0.0605	0.0571	-	-	-	-	-	-	0.0880
Kane County FICA	-	-	-	-	-	-	-	-	-	-
Kane County Forest Preserve	0.1905	0.1714	0.1942	0.1932	0.1997	0.2201	0.2609	0.2710	0.3039	0.3059
Kane County Forest Preserve IMRF	-	0.0033	0.0032	-	-	-	-	-	-	0.0067
Kane County Forest Preserve FICA	-	-	-	-	-	-	-	-	-	-
Dundee Township	0.1608	0.1292	0.1440	0.1415	0.1498	0.1688	0.1854	0.2143	0.3261	0.2265
Dundee Township Road Funds	0.0730	0.0692	0.0665	0.0673	0.0695	0.0774	0.0838	0.0958	-	0.1112
Dundee Township IMRF	-	0.0015	0.0014	-	-	-	-	-	-	0.0045
Dundee Township FICA	-	-	-	-	-	-	-	-	-	-
School District 300	4.0289	3.8308	3.7645	3.8603	3.9687	4.4615	4.7987	5.6752	6.3182	6.5000
School District 300 Pension	-	0.1480	0.1028	-	-	-	-	-	-	0.2214
Elgin Community College 509	0.4011	0.3345	0.3230	0.3275	0.3833	0.4407	0.4454	0.5215	0.5707	0.5994
Elgin Community College Pension	-	0.0053	0.0051	-	-	-	-	-	-	0.0081
Dundee Park District	0.4049	0.3474	0.3400	0.3648	0.3747	0.4251	0.4553	0.5145	0.6269	0.5873
Dundee Park District IMRF	-	0.0424	0.0316	-	-	-	-	-	-	0.0726
Dundee Park District FICA	-	-	-	-	-	-	-	-	-	-
Dundee Library	0.1361	0.1245	0.1195	0.1273	0.1306	0.1456	0.1582	0.1811	0.2061	0.1949
Dundee Library IMRF	-	0.0082	0.0084	-	-	-	-	-	-	0.0221
Dundee Library FICA	-	-	-	-	-	-	-	-	-	-

Note: Rates for debt service are set based on each year's requirements.

Data Source

Office of the County Clerk

VILLAGE OF CARPENTERSVILLE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Four Years Ago

Taxpayer	Type of Business	2015			2011		
		Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Equalized Assessed Valuation	Rank	Percentage of Total Village Taxable Assessed Valuation
Spring Hill Mall	Shopping Center	\$ 4,747,530	1	1.12%	\$ 7,542,389	1	1.16%
Woodmans	Grocery Store	4,160,908	2	0.98%	5,532,780	2	0.85%
Steadfast Foxview	Rental Properties	3,890,398	3	0.92%	4,501,347	4	0.69%
Menard Inc	Hardware Store	3,324,726	4	0.78%	4,509,385	3	0.70%
Meadowdale Apartments	Rental Properties	2,167,396	5	0.51%			
Meadowdale Apartments	Rental Properties	2,156,761	6	0.51%			
Meadowdale Apartments	Rental Properties	2,156,760	7	0.51%			
Improved Besinger Properties	Rental Properties	2,017,091	8	0.48%			
Trust #1-04-112	Trust	1,876,406	9	0.44%	2,395,875	5	0.37%
CREA Spring Hill LLC	Shopping Center	1,851,841	10	0.44%	1,339,104	9	0.21%
Dominicks Finer Foods Inc	Grocery Store				1,880,344	6	0.29%
TKJ Enterprises LLC	Industrial				1,723,214	7	0.27%
10 West Main, LLC	Industrial				1,498,978	8	0.23%
Revcor Inc	Industrial				1,294,630	10	0.20%
TOTAL		<u>\$ 28,349,817</u>		<u>6.69%</u>	<u>\$ 32,218,046</u>		<u>4.97%</u>

Information for the period nine years ago was not available, therefore, information for the period four years ago is presented.

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

Data Source

Office of the County Clerk

VILLAGE OF CARPENTERSVILLE, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 8,019,303	\$ 7,995,835	99.71%	\$ -	\$ 7,995,835	99.71%
2006	8,582,436	8,544,673	99.56%	-	8,544,673	99.56%
2007	9,117,746	9,093,394	99.73%	-	9,093,394	99.73%
2008	9,594,112	9,539,478	99.43%	-	9,539,478	99.43%
2009	10,201,246	10,200,572	99.99%	-	10,200,572	99.99%
2010	10,910,424	10,886,992	99.79%	-	10,886,992	99.79%
2011	10,913,883	10,872,428	99.62%	-	10,872,428	99.62%
2012	11,397,124	11,341,382	99.51%	-	11,341,382	99.51%
2013	11,902,305	11,844,299	99.51%	-	11,844,299	99.51%
2014	12,471,832	-	0.00%	-	-	0.00%

Data Source

Office of the County Clerk

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SALES TAX BY CATEGORY

Last Ten Calendar Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General merchandise	\$ 345,419	\$ 427,172	\$ 329,697	\$ 288,621	*	\$ 251,300	\$ 236,477	\$ 235,259	\$ 241,561	\$ 235,998
Food	952,442	1,050,066	1,073,583	1,242,330	\$ 1,206,769	1,205,361	1,231,555	1,197,703	1,142,340	1,190,412
Drinking and eating places	270,535	260,741	278,670	264,377	227,834	232,344	262,081	267,660	260,813	273,561
Apparel	29,949	34,010	36,041	43,636	36,744	33,785	30,918	29,881	30,732	29,167
Furniture, H.H. and radio	74,203	60,204	33,366	33,487	*	21,516	21,262	24,260	30,475	25,605
Lumber, building hardware	475,107	495,070	474,884	435,753	423,961	434,718	442,041	467,955	502,991	531,175
Automobile and filling stations	241,922	251,414	309,103	216,243	231,876	311,296	426,062	362,788	356,635	360,741
Drugs and miscellaneous retail	185,782	190,472	202,453	224,144	239,123	250,913	251,908	262,480	286,637	281,545
Agriculture and all others	79,183	89,073	108,229	94,683	71,183	69,967	74,663	76,466	73,582	69,695
Manufacturers	55,750	57,725	70,081	25,513	41,593	20,492	19,454	19,004	19,536	18,143
Other (1)	-	-	-	-	281,252	-	-	-	-	-
TOTAL	\$ 2,710,292	\$ 2,915,947	\$ 2,916,107	\$ 2,868,787	\$ 2,760,335	\$ 2,831,692	\$ 2,996,421	\$ 2,943,456	\$ 2,945,302	\$ 3,016,042
VILLAGE DIRECT SALES TAX RATE	1.00%									

* Categories have less than four taxpayers; therefore, no data is shown to protect the confidentiality of individual taxpayers.

(1) This category is an aggregation of the amounts with *.

Data Source

Illinois Department of Revenue

VILLAGE OF CARPENTERSVILLE, ILLINOIS

HOME RULE SALES TAX BY CATEGORY

Last Two Calendar Years

Calendar Year	2013	2014
General merchandise	\$ 359,104	\$ 418,572
Food	575,416	705,585
Drinking and eating places	390,459	478,347
Apparel	46,098	51,318
Furniture, H.H. and radio	45,711	44,957
Lumber, building hardware	746,834	921,975
Automobile and filling stations	498,398	568,086
Drugs and miscellaneous retail	236,977	262,021
Agriculture and all others	99,376	107,216
Manufacturers	28,662	30,826
TOTAL	\$ 3,027,035	\$ 3,588,903

Information for 2005 - 2012 is not available.

Note: Village home rule sales tax rate is 2% effective July 1, 2014.

Data Source

Illinois Department of Revenue

VILLAGE OF CARPENTERSVILLE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities						Business-Type Activities					Total Primary Government	Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Refinancing Cost of General Obligation Bonds			Capital Leases	Promissory Note Payable	General Obligation Bonds	Refinancing Cost of General Obligation Bonds			IEPA Loan			
		Unamortized Bond Discount	Unamortized Loss/Refund	Unamortized Bond Premium				Unamortized Bond Discount	Unamortized Loss/Refund	Unamortized Bond Premium				
2006	\$ 3,022,500	\$ -	\$ -	\$ 51,157	\$ 121,420	\$ -	\$ 1,367,500	\$ -	\$ -	\$ 17,053	\$ 16,074,409	\$ 20,654,039	3.44%	\$ 675.28
2007	7,690,000	-	-	129,199	48,081	-	6,080,000	-	-	98,505	15,334,223	29,380,008	4.53%	960.57
2008	7,172,500	-	-	119,819	13,754	-	5,612,500	-	-	92,535	14,575,154	27,586,262	4.03%	901.92
2009	13,403,750	-	-	110,439	1,068	-	8,641,250	-	-	86,565	13,796,720	36,039,792	5.00%	1,178.31
2010	12,685,500	-	-	101,059	-	286,556	8,244,500	-	-	80,595	12,998,429	34,396,639	4.86%	912.60
2011	31,948,050	-	-	91,679	-	229,245	7,836,950	-	-	74,625	12,179,773	40,014,245	6.17%	1,061.64
2012	30,500,150	-	-	82,299	-	171,934	7,414,850	-	-	68,655	11,340,231	38,086,934	6.84%	997.14
2013	29,016,800	-	-	72,919	292,772	114,623	6,978,200	-	-	62,685	10,479,272	36,402,395	7.34%	953.04
2014	27,069,650	-	-	53,306	177,000	57,312	6,380,350	-	-	53,305	9,596,351	33,684,312	7.56%	881.88
2015	34,149,760	-	-	535,744	59,450	-	15,415,240	-	-	814,050	623,404	49,624,450	11.70%	1,299.21

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

(1) Assessed value and actual value of taxable property.

(2) See the schedule of Demographic and Economic Information on page 124 for personal income and population data.

Data Source

Village Records

VILLAGE OF CARPENTERSVILLE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities	Less Amounts Available In Debt Service Fund	Total	Governmental Activities			Business-Type Activities			Percentage of Estimated Actual Taxable		
	General	General	General			Obligation	Bonds	Refinancing Costs	General	Obligation	Bonds	Refinancing Costs	Value of Property*	Per Capita
	Obligation Bonds	Obligation Bonds	Obligation Bonds	Unamortized Bond Discount	Unamortized Loss/Refund	Unamortized Bond Premium	Unamortized Bond Discount	Unamortized Loss/Refund	Unamortized Bond Premium	Unamortized Bond Discount	Unamortized Loss/Refund	Unamortized Bond Premium	Unamortized Bond Discount	Unamortized Loss/Refund
2006	\$ 3,022,500	\$ 1,367,500	\$ 698,450	\$ 3,691,550	\$ -	\$ -	\$ 51,157	\$ -	\$ -	\$ 17,053	0.62%	\$ 120.69		
2007	7,690,000	6,080,000	715,304	13,054,696	-	-	129,199	-	-	98,505	2.01%	426.82		
2008	7,172,500	5,612,500	719,619	12,065,381	-	-	119,819	-	-	92,535	1.76%	394.47		
2009	13,403,750	8,641,250	1,018,109	21,026,891	-	-	110,439	-	-	86,565	2.92%	687.47		
2010	12,685,500	8,244,500	1,054,454	19,875,546	-	-	101,059	-	-	80,595	2.81%	527.33		
2011	31,948,050	7,836,950	903,275	38,881,725	-	-	91,679	-	-	74,625	6.00%	1,031.59		
2012	30,500,150	7,414,850	883,704	37,031,296	-	-	82,299	-	-	68,655	6.65%	969.51		
2013	29,016,800	6,978,200	803,049	35,191,951	-	-	72,919	-	-	62,685	7.10%	921.35		
2014	27,069,650	6,380,350	649,279	32,800,721	-	-	53,306	-	-	53,305	7.36%	858.75		
2015	34,149,760	15,415,240	542,007	49,022,993	-	-	535,744	-	-	814,050	11.56%	1,283.46		

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

* See the schedule of Assessed Value and Actual Value of Taxable Property on page 1114 for property value data.

Data Source

Village Records

VILLAGE OF CARPENTERSVILLE, ILLINOIS

DIRECT AND OVERLAPPING DEBT

April 30, 2015

	Applicable to Village		
	Outstanding Debt	Percent	Amount
Village Direct Debt			
Carpentersville Village	\$ 34,744,954	100.00%	\$ 34,744,954
Overlapping Debt			
Kane County	63,200,000	3.82%	2,414,240
Kane County Forest Preserve	161,135,000	3.82%	6,155,357
Dundee Township	5,270,000	32.04%	1,688,508
Barrington School District 220	62,430,600	1.07%	668,007
School District 300	484,155,134	15.22%	73,688,411
Elgin Community College 509	195,973,411	3.86%	7,564,574
Harper College 512	171,470,000	0.16%	274,352
Dundee Park District	20,685,000	32.10%	6,639,885
	<u>1,164,319,145</u>		<u>99,093,334</u>
TOTAL	<u>\$ 1,199,064,099</u>		<u>\$ 133,838,288</u>

Note: Rates for debt service are set based on each year's requirements.

Data Source

Office of the County Clerk

VILLAGE OF CARPENTERSVILLE, ILLINOIS

LEGAL DEBT MARGIN

April 30, 2015

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 50,000 an aggregate of one per cent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment*	Unemployment Rate**
2006	30,586	\$ 532,930,464	\$ 17,424	28.4	18,689	5.8%
2007	30,586	652,919,342	21,347	29.6	19,119	6.4%
2008	30,586	652,919,342	21,347	29.6	18,990	8.4%
2009	30,586	652,919,342	21,347	29.6	19,628	12.9%
2010	37,691	804,589,777	21,347	29.6	19,694	13.3%
2011	37,691	804,589,777	21,347	29.6	19,959	12.7%
2012	38,196	815,370,012	21,347	29.4	19,978	11.0%
2013	38,196	815,370,012	21,347	29.4	20,856	13.1%
2014	38,196	815,370,012	21,347	29.4	20,923	9.9%
2015	38,196	815,370,012	21,347	29.4	7,786	5.8%

*Beginning in 2015, the reporting method was changed by the school district .

**Unemployment rate is the 12-month average.

Data Sources

Village Records
 US Census Bureau
 Office of the County Clerk

VILLAGE OF CARPENTERSVILLE, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2015			2006		
	Number of Employees	Rank	% of Total Village Population	Number of Employees	Rank	% of Total Village Population
Otto Engineering	498	1	1.30%	160	5	0.52%
Revcor, Inc	400	2	1.05%	400	1	1.31%
Community School District 300	350	3	0.92%	300	2	0.98%
Woodman's	265	4	0.69%			
PCCR USA	250	5	0.65%	150	6	0.49%
Village of Carpentersville	215	6	0.56%	200	3	0.65%
Trim-Rite, Inc.	200	7	0.52%	200	3	0.65%
Menards	140	8	0.37%			
KDM Enterprises, Inc.	125	9	0.33%			
Grayhill Inc.	120	10	0.31%	150	6	0.49%
Bulk Lift				150	6	0.49%
ACME Industrial Comp.				150	6	0.49%
TOTAL	<u>2,563</u>		<u>6.70%</u>	<u>1,860</u>		<u>6.07%</u>

Data Source

2014 Illinois Service Directory

VILLAGE OF CARPENTERSVILLE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL GOVERNMENT										
Legislative	1	1	1	1	1	1	1	1	1	1
Administration	3	3	4	3	3	3	3	4	4	3
Finance	12	7	8	8	8	6	8	9	8	7
Information systems	1	2	2	3	3	3	2	2	2	3
Community development	12	11	15	15	16	16	11	11	9	11
Public buildings	2	2	2	2	1	1	1	1	2	3
PUBLIC SAFETY										
Police personnel	96	81	81	82	76	71	71	70	70	70
Fire personnel	42	42	42	42	42	39	39	37	37	48
PUBLIC WORKS										
Administration	3	3	3	3	3	3	3	3	3	3
Utilities - water	8	6	7	7	7	7	6	6	6	6
Utilities - underground water/sewer	11	10	11	11	11	8	8	8	8	8
Utilities - wastewater	10	8	8	8	8	7	6	6	5	7
Street maintenance	12	13	13	13	12	12	12	12	11	15
Vehicle maintenance	1	2	2	2	2	2	2	3	3	3
Parks	-	-	1	1	1	1	1	1	1	1
TOTAL	214	191	200	201	194	180	174	174	170	189

Data Source

Village budget office

VILLAGE OF CARPENTERSVILLE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL GOVERNMENT										
Number of permits issued	1,695	1,894	1,896	3,620	4,062	3,313	2,677	2,992	2,412	3,667
Building and engineering inspections	12,617	4,634	6,750	5,671	5,930	5,472	5,149	5,367	5,007	5,138
POLICE										
DUI arrests	N/A	201	194	202	167	169	106	128	108	24
Criminal arrests	4,300	3,175	2,741	2,546	2,366	1,799	1,759	1,684	1,420	374
Accidents	N/A	1,044	996	1,017	851	927	815	820	1,020	379
Ordinance enforcement	N/A	5,780	6,849	6,621	7,385	5,964	5,117	4,660	3,782	1,679
Total tickets	N/A	9,517	8,769	9,458	9,875	9,893	6,890	10,335	6,728	2,618
Total calls	N/A	19,552	22,332	21,837	20,703	19,783	17,786	16,296	16,952	5,720
FIRE										
Number of fire calls answered	783	883	950	938	910	950	967	882	1,289	843
Number of EMS calls answered	2,221	2,387	2,660	2,602	2,590	2,650	2,670	2,551	2,608	2,625
PUBLIC WORKS										
Tons of garbage collected	14,373	14,475	12,169	11,678	10,666	10,297	10,333	10,015	10,475	10,477
Tons of yard waste collected	1,390	1,421	1,792	1,600	1,758	1,688	1,882	1,302	1,816	1,582
Tons of recyclable material collected	3,004	3,039	3,252	3,499	3,184	3,540	3,451	3,284	3,421	3,264
Trees planted	N/A	-	66	100	29	18	-	28	201	302
Trees removed	3	7	5	16	12	45	687	803	522	385
Street sweeping (hours)	1,038	1,207	1,279	1,356	1,720	2,000	1,600	1,280	1,800	920
Snow removal (hours)	1,755	1,584	456	1,755	1,289	1,500	690	1,166	3,311	4,872
WATER AND SEWER										
Average daily consumption (gallons)	3,232,877	3,331,507	2,747,945	2,805,479	2,747,945	2,534,247	2,539,726	2,540,000	2,600,000	2,485,000
Meter installations	-	166	51	1,400	1,750	1,640	1,375	1,375	1,650	1,304
Catch basins/inlets cleaned	7	30	17	29	41	11	12	36	51	52

N/A - Information not available.

Data Source

Village Records

VILLAGE OF CARPENTERSVILLE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL GOVERNMENT										
General government buildings	1	1	1	1	1	1	1	1	1	1
Number of vehicles	-	-	-	-	-	-	1	1	1	1
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Number of squad cars	28	32	31	34	31	36	36	36	36	39
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Number of vehicles	12	13	14	12	12	14	13	14	14	14
PUBLIC WORKS										
Public works buildings	3	3	3	3	3	3	3	3	3	3
Number of bridges	-	-	1	1	1	1	1	1	1	1
Number of vehicles	29	33	31	30	31	31	28	26	26	28
Streets (miles)	28	30	30	30	30	30	30	30	96	96
WATER AND SEWER										
Water mains (miles)	97	98	99	102	105	105	120	120	128	128
Sanitary sewers (miles)	68	68	69	71	75	75	75	75	108	108
Storm sewers (miles)	78	84	104	104	104	104	104	104	87	87
Number of fire hydrants	1,536	1,536	1,536	N/A	1,555	1,592	1,592	1,592	1,642	1,629
Vehicles	N/A	N/A	N/A	N/A	N/A	N/A	N/A	26	24	27
COMMUNITY DEVELOPMENT										
Number of vehicles	5	9	10	11	11	11	11	11	11	11
CULTURE AND RECREATION										
Number of parks and playgrounds	5	5	5	5	5	5	5	5	5	5
Number of vehicles	-	-	-	1	1	1	4	4	4	3

* The Police Department and Village Hall reside in the same building

N/A - Information not available

Data Source

Village Records



Village of
Carpentersville, IL