

VILLAGE OF JOHNSBURG, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2016

VILLAGE OF JOHNSBURG, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2016

Prepared by:
Finance Department

VILLAGE OF JOHNSBURG, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Johnsburg:

- List of Principal Officials
- Organizational Chart
- Transmittal Letter

VILLAGE OF JOHNSBURG, ILLINOIS

**List of Principal Officials
April 30, 2016**

VILLAGE PRESIDENT

Edwin P. Hettermann

VILLAGE BOARD OF TRUSTEES

Tom Curry

Mary Lou Hutchinson

Kyle Frost

Greg Klemstein

John Huemann

Kevin McEvoy

ADMINISTRATION

Village Administrator

Claudett Peters

Village Accountant

Kim Giovanni

Chief of Police

Keith Von Allmen

Collector/Office Assistant

Timothy Haynes

Deputy Clerk/Administrative Assistant

Debbie Swetz

Public Works Foreman

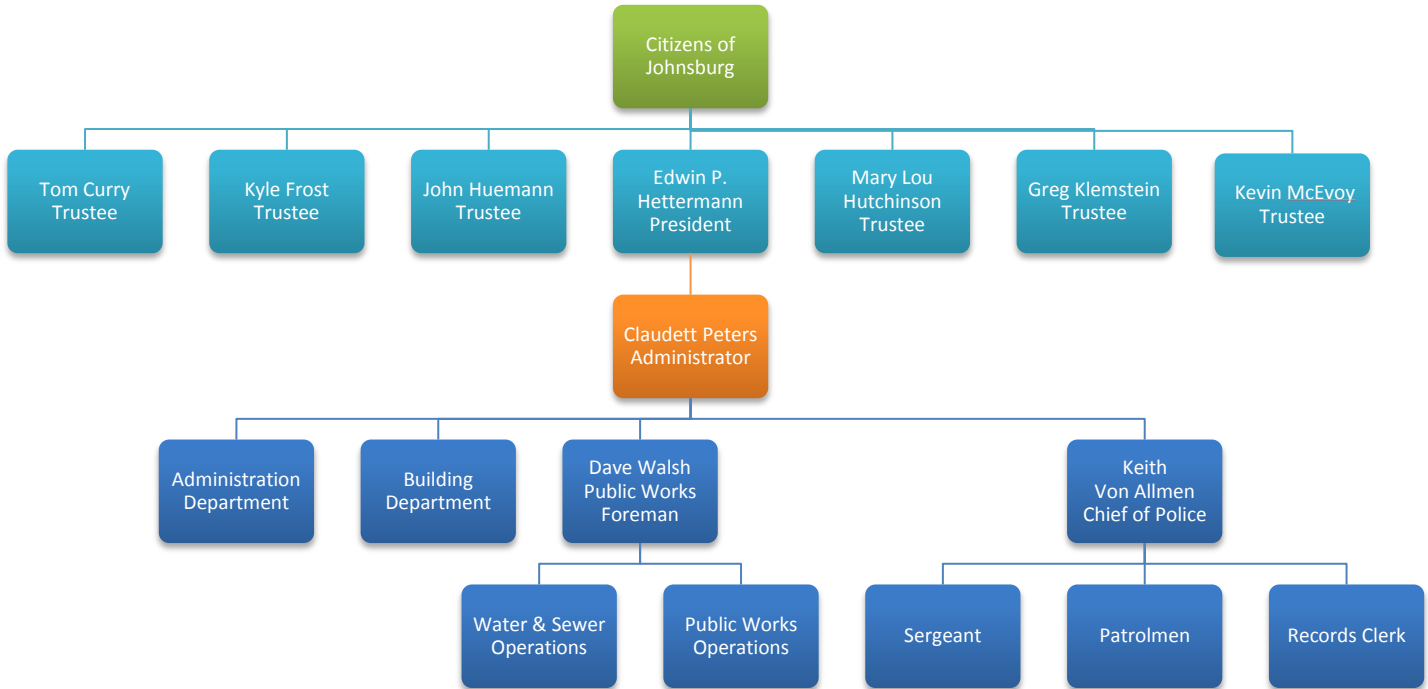
Dave Walsh

Village Attorney

Michael Smoron - Zukrowski, Rogers, Flood and McArdle

Village Engineer

Timothy Hartnett - HR Green, Inc.





Edwin P. Hettermann
Village President

Claudett E. Peters
Village Administrator

1515 Channel Beach Avenue
Johnsburg IL 60051
Village Hall 815-385-6023
Fax 815-385-6054
www.johnsburg.org

October 11, 2016

**To: The Village President, Members of the Village Board of Trustees, and
Citizens of the Village of Johnsburg, Illinois**

Illinois State Law requires that all general-purpose local governments publish a complete set of financial statements within six months of the close of the fiscal year. These financial statements must conform to generally accepted accounting principles (GAAP), and be audited in accordance with generally accepted accounting standards by certified public accountants licensed by the State of Illinois. It is with pleasure that the Comprehensive Financial Annual Report (CAFR) for the Village of Johnsburg, Illinois is presented for the year ended April 30, 2016.

The 2016 CAFR complies with the new financial reporting model developed by the Governmental Accounting Standards Board (GASB) and is intended to provide additional information not previously available in the Village's financial statements.

The comprehensive annual financial report consists of the Village of Johnsburg management staff's representations concerning the finances of the Village. Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has continued to focus on the internal controls that are designed to protect the Village's assets from loss, theft or misuse and to compile sufficiently reliable information for the preparation of the Village's financial statements in conformity with GAAP.

Management continues to revise processes, implement internal controls, and establish new financial policies that allow us to provide reasonable controls within our means in order to prepare financial statements that are free of any material misstatements. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Fiscal Management

Annually the Village adopts a budget that defines its legal spending authority. Departments submit requests to the Village Administrator so that a budget may be prepared. The requested budget document is prepared by fund, function, and activity. The budget is presented to the Finance Committee then the Village Board for review. The Village Board holds a public hearing and adjusts the requested budgeted amounts to reflect anticipated operations and capital spending for the delivery of services offered by the Village.

Village Trustees

Tom Curry Kyle Frost John Huemann Mary Lou Hutchinson Greg Klemstein Kevin McEvoy

A Hometown with Spirit

The Village of Johnsburg's financial statements have been audited by Lauterbach & Amen, LLP, a firm licensed by the State of Illinois as certified public accountants with specialization in local government accounting. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Johnsburg are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures shown in these financial statements; assessing the accounting principles and significant estimates used; and evaluating the overall financial statement presentation. In addition, the auditors prepared a list of management comments which outline areas where the Village management can further improve internal controls and accounting procedures. The administration, along with the finance staff, appreciates and welcomes the auditors' recommendations for internal control improvement.

Fiscal Report

The independent auditor concluded that there was a reasonable basis for rendering an opinion that the Village of Johnsburg's financial statements for the fiscal year ended April 30, 2016, are fairly presented in conformity to GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The financial reports are presented in accordance with the "GASB" reporting model requirements. GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management Discussion and Analysis (MD&A). This letter of transmittal will not repeat the financial overview and analysis which is provided in the MD&A, but encourages the reader to review this important section of the financial statements for a comprehensive overview and analysis of how the Village has fared over the last fiscal year.

Village Profile

The Village of Johnsburg was settled in 1841 and incorporated in 1956 and has a population of 6,337 as of the 2010 census. The Village is located in McHenry County and governed by a Village President and Board of Trustees. The Village's policies are set by the Village President and the Village Board. The Village Administrator is responsible for implementing the policies and directives of the Village President and the Village Board.

The Village provides a full range of services. Johnsburg's public safety activities include police protection and numerous community education and engagement opportunities. Public works provides street and right-of-way maintenance and repair, as well as building maintenance and park maintenance. Water service including a treatment plant and sanitary sewer system are functions which are included in the Waterworks & Sewerage fund.

The Village also assists with various community events, which are blended into the Village's departmental program budgets or are supported by donations. These include the annual Family Skate Night, Easter Egg Hunt and Celebration in the Park. In addition, the Village is accountable for the Johnsburg Police Pension Fund, managed by a legally separate Board, and two Special Service Areas which are administered by independent Trustees (Amalgamated Bank of Chicago).

Economic Condition and Outlook

The Village of Johnsburg continues to successfully manage its finances. It appears that the bottom of the economic crisis has been reached, and the Village has begun to experience gains in building and development related revenues. Additionally, the Village is beginning to see growth in several other revenue line items such as video gaming and local use taxes. But despite these positive economic occurrences, challenges still exist and the Village must remain conservative with regards to its future revenue projections. The Village Board remains committed to developing solutions that provide the highest possible services while keeping taxation and other charges at a minimum.

The Village's 2015 EAV increased by 2.24%. This is the first increase in EAV since levy year 2008. The Village's unemployment rate according to the last census (2010) was 8.1%; below the state and national levels. The Consumer Price Index at the end of April 2016 in the Chicago region area was 0.7%. The 2010 census reflects a per capita income of \$35,142; and median household income of \$80,102.

Financial Planning and Relevant Financial Policies

The Village has established a comprehensive Capital Improvement Plan. The plan directs dollars to be set aside for future capital needs such as equipment and infrastructure. By annually setting aside dollars to address both current and long term capital impacts, the Village can insure that dollars are available when needed. Each year management and the finance committee review the plan to insure that it will provide for the Village's long term strategic initiatives. Monies needed to support the plan are included each year in the budget to be set aside in the capital reserve.

Major Initiatives

Sales Tax Referendum

The March 15, 2016 primary election included a referendum question asking residents of the Village whether or not they support raising local sales tax by ½ percent on goods purchased in the Village. The result of the votes cast indicated 1,241 voters were in favor of and 941 voters were opposed to the sales tax increase. As a result, the Johnsburg Village Board of Trustees passed an ordinance raising the local sales tax rate from 7.0% to 7.5%. The increased rate was effective July 1, 2016.

Garbage and Recycling Direct Billing

In response to a survey conducted in 2014, the Village Board agreed to reduce real estate tax bills by the amount assessed for garbage and recycling services and have Waste Management bill residents directly for the service beginning November 1, 2015. Previously, the Village collected approximately \$210,000 annually through real estate taxes to pay for the service however the annual cost was more than \$382,000, causing the Village to utilize general fund dollars to make up the difference. The Village continues to contract for the service to insure that the best possible rates are obtained but by directly billing residents for the service, the Village is able to redirect nearly \$175,000 towards capital purchases and help build reserves. In December, 2015 the Village Board held its tax levy flat and then reduced it by the amount levied for garbage and recycling services. The impact from the removal of the tax was experienced on tax bills received in May, 2016 (fiscal year 2017).

Economic Development

The Economic Development Committee made great strides this past year in wrapping up efforts towards developing a Downtown Sub-Planning Addendum to the Comprehensive Land Use Plan. In this fourth and final phase, public hearings were held to review planning exhibits, answer questions and obtain more public feedback before finalizing the plan. The result of these efforts will enable the Village to be prepared for future development in our downtown area and insure a balance between business, residential and recreational activities.

Church Street Road Improvement Project

More than 20 years of effort have gone into planning for improvements to Church Street. Significant progress was made in FY2016 as Phase I and Phase II engineering was started. Phase I is anticipated to wrap up in 2016 and Phase II is estimated to be complete in the Spring of 2017 with construction beginning shortly after that.

Up until a few years ago, much of the surfaced area on Church Street around the Johnsburg Community Club and St. John the Baptist Catholic Church and School were privately owned by those entities. Many people believed the area to be a Village roadway and would often comment to the Village regarding the condition of the road. Without having the property under the Village's ownership, the Village could do little to assist. Village officials worked closely with stakeholders to acquire the right of way and eventually purchased the lot at the northwest corner of Church Street and St. Johns Avenue. Once the land acquisition was complete, the Village sought funding to help make the project more affordable. The Village successfully secured a \$1.5 million grant to help fund this very important project. The Village is delighted to see this exciting project finally becoming a reality.

Dredging and Land Reclamation

Village officials have been working with the Fox Waterway Agency on channel dredging and land reclamation projects. In FY2016 an application was submitted to the Army Corps of Engineers in an effort to obtain funding assistance for this project. The funding program provides for up to \$100,000 in planning assistance and \$10,000,000 in funding for reclamation efforts. By partnering with the Fox Waterway and Army Corps of Engineers the Village plans to pursue land reclamation activities in the Dutch Creek Bay area, the river front, and adjacent channels which will provide new recreational activities and greatly benefit our community.

Awards

This is the first year the Village is applying for the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA). In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. The report must also satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our report meets the requirements of the Certificate of Achievement Program and are submitting it to the GFOA to determine its eligibility for a certificate. It is our hope that the Village of Johnsburg's Finance Department staff will continually meet the level of excellence required to be granted this award for many years in the future.

Acknowledgements

The preparation of this report, and the confidence with which it is presented, would not have been possible without the dedicated services of the finance staff and our independent auditors Lauterbach & Amen, LLP.

In closing, we would also like to thank the President and the Board of Trustees, and all department heads for their support in maintaining the highest standards of professionalism in the management of the Village's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'C. Peters', written over a horizontal line.

Claudett E. Peters
Village Administrator

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Individual Fund Statements and Budgetary Comparison Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Village's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

October 11, 2016

The Honorable Village President
Members of the Board of Trustees
Village of Johnsburg, 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 Johnsburg, Illinois, as of and for the year ended April 30, 2016, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of 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 Johnsburg, Illinois, as of April 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Johnsburg, Illinois', basic financial statements. The introductory section, individual fund budgetary comparison schedules and supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

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


LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis ("MD&A") is an element of the financial reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments. In this area the Village of Johnsburg ("Village") presents its discussion and analysis of the Village's financial performance and provides an overall review of the Village's financial activities for the fiscal year-end April 30, 2016. The management of the Village encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the Village's financial performance.

Certain comparative information between the current year and the prior year is required to be presented in the MD&A. This comparative information is included in this report.

Financial Highlights

- The Village's beginning net position decreased \$1,362,239 (a decrease of \$3,786,977 in the governmental activities and an increase of \$2,424,738 in the business-type activities) due to the implementation of GASB Statement No. 68, which requires governments to report the net pension liability and related deferred items on the financial statements for the IMRF, Police and Firefighters' Pensions, along with correcting errors in recognition of debt and interfund balances in the prior year.
- The Village's total net position, as of April 30, 2016 was \$16,943,788.
- The Village's General Fund reported a decrease of \$363,465 in fund balance for the year.
- The Village's actual General Fund revenues were more than total budgeted revenues by \$140,186, and actual expenditures were less than total budgeted expenditures by \$259,482.
- The Village's capital and infrastructure assets increased by \$484,463 in the Governmental activities and decreased by \$386,762 in the Waterworks and Sewerage Fund.

For purpose of this analysis, the Village considers the Operating Fund to include the General Fund.

Overview of the Financial Statements

This annual report consists of four parts: management's discussion and analysis (this section), the basic financial statements, and the required supplementary information. The basic financial statements include two kinds of statements that present different views of the Village:

- The first two statements are *government-wide financial statements* that provide both short-term and long-term information about the Village's overall financial status.
- The remaining statements are *fund financial statements* that are similar to the historical reporting concept and focus on individual parts of the Village, reporting the Village's operations and in more detail than the government-wide statements.

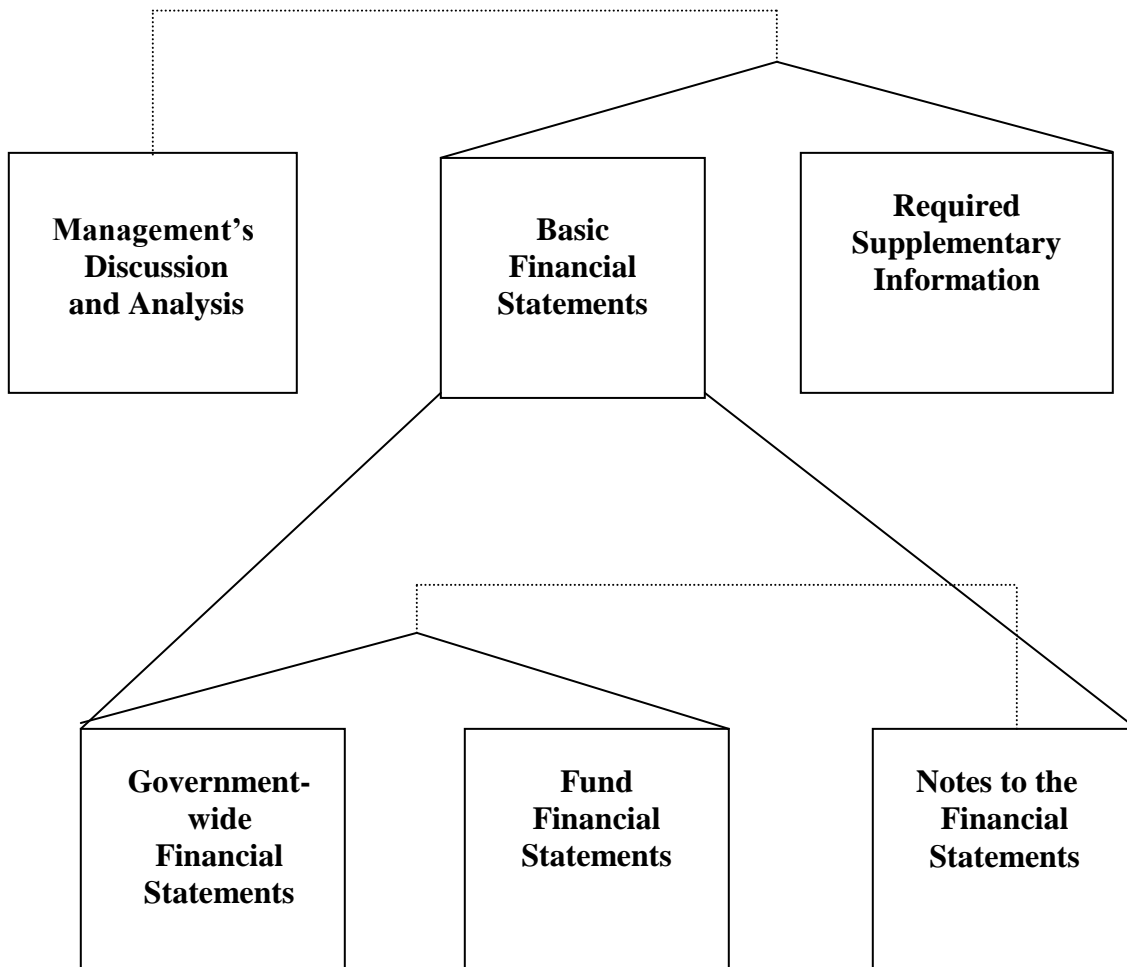
The fund financial statements have the following three primary components.

- The *governmental fund* statements tell how basic services were financed in the short term, as well as what remains for future spending.
- *Fiduciary fund* statements provide information about the financial relationships in which the Village acts solely as trustee or agent for the benefit of others.
- *Proprietary fund* statements provide short- and long- term financial information about the activities the Village operates like a business. The Village operates its Waterworks and Sewerage Fund as a business which is accounted for as a proprietary fund.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements.

The following figure summarizes the major features of the Village's financial statements, including the portion of the Village's activities they cover and the types of information contained. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Organization of the Village of Johnsburg Annual Financial Report



The following figure summarizes the major features of the Village's financial statements, including the portion of the Village's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

**Major Features of the Government-wide and Fund
Financial Statements**

	Government-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Village (except fiduciary funds)	The activities of the Village that are not proprietary or fiduciary, such as general fund	Activities the Village operates similar to private businesses	Instances in which the Village administers resources on behalf of someone else, such as Police Pension Trust monies
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balance 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenues, expenses & changes in fund net position 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
				Statement of cash flows
Accounting basis and measurement focus.	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

Government-wide Financial Statements:

The government-wide financial statements are designed to provide readers with a broad overview of the Village's financial position and operations as a whole, in a manner similar to a private-sector business.

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

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

- To assess the Village's overall financial health, consideration also needs to be given to other non-financial factors such as changes in the Village's property tax base, the condition of its facilities and other similar items.

In the government-wide financial statements, the Village's activities are categorized as follows:

- *Governmental activities* - Most of the Village's basic services including administration, financial services, police and public works are included. Property taxes, telecommunications taxes and shared state tax distributions finance the majority of these services.

Fund Financial Statements:

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. This accounting presentation also provides information prepared on a consistent method with prior years to facilitate comparative analysis. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds – These 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 (1) how cash and other financial assets that can readily be converted to cash, flow in and out of government operations and (2) the balances left at year-end available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's programs. Because this information does not encompass the additional long-term asset and debt focus of the government-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.

The financial content of the government-wide financial statements differs from the financial content of the traditional fund-based financial statements primarily due to:

- Use of the full accrual basis of accounting in the government-wide financial statements versus the modified accrual basis of accounting in the fund-based financial statements.
- Recognition in the government-wide financial statements of the cost and related current and accumulated depreciation of long-term assets.
- Recognition in the government-wide financial statements of the remaining liability for the principal payments due that are related to long-term debt obligations.

Governmental funds are further summarized by a major funds category. The Village has determined that all funds are considered major, based on the significance that each fund has toward the financial and functional impact on the Village. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances for the combined total governmental funds and for each summary category of funds.

The Village also adopts an annual budget for each of the funds listed above. A budgetary comparison statement has been provided for each fund to demonstrate actual results compared with this budget.

Proprietary fund - The Village's services for which the Village charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. The Village's enterprise funds are the same as its business-type activities but provide more detail and additional information, such as cash flows.

Fiduciary fund - The Village is the trustee, or *fiduciary*, for certain assets that belong to others, such as the deferred compensation plan. The Village is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The Village excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operation.

Notes to the Financial Statements:

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

Other Information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's operations.

Financial Analysis of the Village as a Whole

Statement of Net Position: The following summary data is compared with data from the preceding year for both governmental activities and business-type activities. The following provides a summary of the Village's Statement of Net Position as of April 30, 2016 and 2015:

	Governmental Activities		Business-Type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Assets:						
Current assets	\$ 2,491,730	\$ 5,783,511	\$ 516,732	\$ (1,971,977)	\$ 3,008,462	\$ 3,811,534
Capital assets (less depreciation)	11,592,071	11,107,608	8,250,557	8,637,319	19,842,628	19,744,927
Total Assets	14,083,801	16,891,119	8,767,289	6,665,342	22,851,090	23,556,461
Deferred Outflows of Resources:	368,792	-	278,401	303,711	647,193	303,711
Total Assets and Deferred Outflows of Resources	14,452,593	16,891,119	9,045,690	6,969,053	23,498,283	23,860,172
Liabilities:						
Current liabilities	268,220	335,805	278,574	35,094	546,794	370,899
Noncurrent liabilities (long term debt)	3,106,030	956,281	2,035,000	2,519,326	5,141,030	3,475,607
Total Liabilities	3,374,250	1,292,086	2,313,574	2,554,420	5,687,824	3,846,506
Deferred Inflows of Resources:	866,671	950,955	-	-	866,671	950,955
Total Liabilities and Deferred Inflows of Revenues	4,240,921	2,243,041	2,313,574	2,554,420	6,554,495	4,797,461
Net Position						
Net investment in capital assets	11,377,205	10,341,108	6,253,958	6,117,993	17,631,163	16,459,101
Restricted	1,064,614	921,407	392,875	-	1,457,489	921,407
Unrestricted	(2,230,147)	3,385,563	85,283	(1,703,360)	(2,144,864)	1,682,203
Total Net Position	\$ 10,211,672	\$ 14,648,078	\$ 6,732,116	\$ 4,414,633	\$ 16,943,788	\$ 19,062,711

Total Net Position: Please note that the amounts reported for governmental activities in the audit statement above are different from the governmental funds because (1) capital assets used in governmental activities are not financial resources, as they are in business, and are not reported as assets in governmental funds, (2) long-term liabilities, including bonds payable are not due in the current period and therefore not reported as liabilities in the funds. The result is that the total net position for governmental activities is \$10,211,672 and \$6,732,116 for business-type activities.

Restricted Net Position: A portion of the Village's total net position is considered restricted. The Special Service Area and Motor Fuel Tax are special revenue funds; by law, funds held in a special revenue fund are restricted to the purpose of the fund.

The funds have restricted balance as follows: Special Service Area, \$31,036; Motor Fuel Tax, \$82,102; Community Development, \$706,659; and Parks, \$213,811. The Village's total restricted net position at the end of the fiscal year totaled \$1,064,614. There were no significant changes affecting restrictions, commitments, or other limitations to the availability of fund resources for future use.

Village of Johnsburg
Management's Discussion and Analysis
For the Year Ended April 30, 2016

Statement of Activities: The following is a summary of the Village's changes in net position for the year ending April 30, 2016 and 2015 for governmental activities and business-type activities:

	Governmental Activities		Business-Type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Revenues:						
<u>Program Revenues:</u>						
Charges for services	\$ 396,972	\$ 532,651	\$ 272,806	\$ 226,769	\$ 669,778	\$ 759,420
Operating grants and contributions	173,908	194,209	-	-	173,908	194,209
Capital grants and contributions	459,888	15,164	-	-	459,888	15,164
<u>General Revenues:</u>						
Property taxes	1,068,296	1,131,689	-	-	1,068,296	1,131,689
Other taxes	2,790,648	2,566,081	-	-	2,790,648	2,566,081
Interest income	1,895	1,410	3	-	1,898	1,410
Other	67,058	80,362	-	-	67,058	80,362
Total Revenues	4,958,665	4,521,566	272,809	226,769	5,231,474	4,748,335
Expenses:						
General government	1,332,361	1,186,534	-	-	1,332,361	1,186,534
Public safety	2,000,457	1,530,542	-	-	2,000,457	1,530,542
Highways and street	1,621,516	1,169,174	-	-	1,621,516	1,169,174
Parks and buildings	134,304	91,578	-	-	134,304	91,578
Sanitation	196,592	377,394	-	-	196,592	377,394
Debt service:						
Interest on long-term debt	(8,204)	45,712	-	-	(8,204)	45,712
Waterworks and sewerage	-	-	711,132	691,296	711,132	691,296
Total Expenses	5,277,026	4,400,934	711,132	691,296	5,988,158	5,092,230
Income (Loss) Before Transfers	(318,361)	120,632	(438,323)	(464,527)	(756,684)	(343,895)
Transfers	(331,068)	(20,663)	331,068	20,663	-	-
Change in Net Position	(649,429)	99,969	(107,255)	(443,864)	(756,684)	(343,895)
Net Position - Beginning as Restated	10,861,101	14,548,109	6,839,371	4,858,497	17,700,472	19,406,606
Net Position - Ending	\$ 10,211,672	\$ 14,648,078	\$ 6,732,116	\$ 4,414,633	\$ 16,943,788	\$ 19,062,711

Changes in Net Position: The Village's net position in total decreased by \$756,684 to \$16,943,788 in fiscal year 2016. Net position in fiscal year 2015 totaled \$19,062,711.

The Village's total combined revenues were \$5,231,474, which is an increase of \$483,139 in comparison to the previous year. Property taxes accounted for 21.54 percent of the Village's governmental activities revenue, while other taxes made up 56.28 percent of the Village's governmental activities revenue.

The total cost for all programs and services was a combined \$5,988,158, which is an increase of \$895,928 in comparison to the previous year. Expenses in public safety and highways and streets increased by \$469,915 and \$452,342, respectively in comparison to the previous year.

Normal Impacts and Changes in Net Position

Reflected below are eight common (basic) impacts on revenues and expenses:

Revenues

Economic Condition: Reflects a declining, stable or growing economic environment and has a substantial impact on state income, sales, and telecommunications tax revenues as well as public spending habits for items such as building permits and user fees including volumes of usage.

Increase/Decrease in Village Approved Rates: While certain tax rates are set by statute, the Village Board has authority to impose and periodically increase/decrease rates (water, sewer, building permit fees, vehicle stickers etc.). The Village's property taxes are subject to tax caps which generally limit Village increases to the lesser of Consumer Price Index or 5.0%.

Changes in Patterns in Inter-Governmental and Grant Revenue and Other Recurring and Non-recurring Grants: Certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

Market Impacts on Investment Income: The Village's investment portfolio is managed with an approach utilizing competitive pricing, laddered maturities up to one year for term investments, and diversity of investments. Market conditions may cause investment income to fluctuate more than would occur with more short-term composition.

Expenses

Changes in Programs: Within the functional expense categories (General Government, Public Safety, Public Works, etc.) individual programs may be added, deleted or expanded to meet changing community needs.

Changes in Authorized Personnel: Changes in service demand may cause the Village Board to increase/decrease authorized staffing.

Salary Increases (Annual Adjustments and Step Increases): The Village strives to maintain a competitive salary range position in the marketplace.

Inflation: While overall inflation appears to be down, the Village is a major consumer of certain commodities and services which typically experience inflation at a rate that can be significantly different from CPI. Examples of such items include insurance, fuel, electricity and operating supplies.

Financial Analysis of the Village's Funds

The financial performance of the Village reflects the financial climate of the country as a whole and Illinois in particular. Expenditures and revenues are monitored carefully. Financial updates and projections are shared with the Board of Trustees regularly. Account balances for all funds are at a healthy level for the year ended April 30, 2016.

General Fund

- Fund balance decreased by \$363,465, resulting in an ending fund balance of \$1,276,910.
 - The decrease in fund balance was primarily attributable to transfers of \$331,068 to the Waterworks and Sewerage Fund for debt service payments and transfers of \$348,099 to the Land & Building Fund for land acquisition and debt service payments.
- Revenues increased by \$77,959 and expenditures increased by \$270,437, respectively in comparison to the previous year.

Motor Fuel Tax Fund

- Fund balance decreased by \$222,096, resulting in an ending fund balance of \$82,102.
- Given that there were no expenditures for roads in the 2015 fiscal year, the 2016 fiscal year road maintenance resurfacing program included expenditures of \$345,533.

Special Service Area Fund

- Fund balance increased by \$1,699, resulting in an ending fund balance of \$31,036.
 - Property taxes collected exceeded amounts required for maintenance expenditures for the special service areas.

Land and Building Fund

- Fund balance increased by \$7,694, resulting in an ending fund balance of \$14,915.
- The Village issued debt of \$250,000 for a land acquisition.
- Transfers in of \$348,099 covered debt service payments as well as a portion of the land acquisition.

Budgetary Highlights

The Village Board did not amend the Budget or Appropriation Ordinance during the fiscal year. General Fund revenues collected were higher than those budgeted for in FY 2016. This was primarily attributable to sales tax revenue received greater than budget. General Fund revenues totaling \$4,487,301, which includes \$174,900 from the sale of capital assets, are up more than 5.52% from FY 2015.

General Fund expenditures and transfers totaled \$4,850,766. Expenditures, excluding transfers, closed out nearly 5.86% lower than budgeted, reflecting the Village's fiscal responsibility and conservative nature with taxpayer dollars.

Capital Assets

Capital Assets: The historic cost, net of accumulated depreciation, of capital assets of the Village as of April 30, 2016 is as follows:

	Governmental Activities		Business-Type Activities	
	2016	2015	2016	2015
Assets:				
Land	\$ 1,152,909	\$ 508,549	\$ 226,000	\$ 226,000
Land Improvements	169,190	203,011	-	-
Machinery and Equipment	582,488	325,500	-	-
Buildings, Wells and Improvements	863,560	702,418	2,239,593	2,376,851
System and Roadway Infrastructure	8,823,924	9,368,130	5,784,964	6,034,468
Totals	\$ 11,592,071	\$ 11,107,608	\$ 8,250,557	\$ 8,637,319

Fiscal year 2016 is the eleventh year the Village has been required to report the year-end historic cost, net of accumulated depreciation, of capital assets, and the related depreciation expenses for the year, in its Village-wide financial statements. These amounts were derived from a detailed independent appraisal process.

The Village's major capital additions for fiscal year 2016 include land, police vehicles and public works vehicles including a five yard truck and a landscape loader.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure - streets, storm sewers, etc.) had not been reported nor depreciated in governmental financial statements. GASB 34 required that these assets be valued and reported within the Governmental column of the Government-wide Statement of Net Position. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach), which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has elected to depreciate assets over their useful life. If a project is considered maintenance (a recurring cost that does not extend the asset's original useful life or expand its capacity) the cost of the project will be expensed. An "overlay" of a street will be considered maintenance whereas a "rebuild" of a street will be capitalized.

See Note 3 to the financial statements for additional information about Capital Assets.

Debt Outstanding

Long-term debt: At year end, the Village had \$214,866 in long-term debt outstanding within governmental activities, and \$2,275,000 in long-term debt outstanding within business-type activities.

	Governmental Activities		Business-Type Activities	
	2016	2015	2016	2015
Debt instrument:				
Installment loans	\$ 214,866	\$ -	\$ -	\$ -
General obligation bonds	-	-	2,275,000	2,510,000
Totals	\$ 214,866	\$ -	\$ 2,275,000	\$ 2,510,000

See Note 3 to the financial statements for additional information about long-term debt.

Economic Factors

The Village's elected and appointed officials considered many factors when setting the fiscal year 2017 budget and the associated property tax levy and charges for services. One of those factors is the economy. The Village is faced with similar economic challenges as many other local municipalities are faced with including inflation, slumping interest rates and unemployment.

The Village continues to embrace a conservative approach to its financial operations due to the uncertainty of the economy in recent years. With financial policies and procedures such as setting aside funds for its capital improvement plan, the Village feels very comfortable that its operations will be sustainable in the foreseeable future.

Requests for Information

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. In addition to this report, the Village prepares an internal Annual Financial Report which is available on our website at www.johnsburg.org. Any questions concerning this report or requests for additional financial information should be directed to Claudett E. Peters, Village Administrator - Village of Johnsburg 1515 Channel Beach Avenue, Johnsburg, Illinois 60051.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Fund

Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF JOHNSBURG, ILLINOIS

Statement of Net Position

April 30, 2016

See Following Page

VILLAGE OF JOHNSBURG, ILLINOIS

**Statement of Net Position
April 30, 2016**

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 1,020,166	477,294	1,497,460
Receivables - Net of Allowances	1,426,148	38,043	1,464,191
Prepays	45,416	1,395	46,811
Total Current Assets	2,491,730	516,732	3,008,462
Noncurrent Assets			
Capital Assets			
Nondepreciable	1,152,909	226,000	1,378,909
Depreciable	22,296,234	11,862,994	34,159,228
Accumulated Depreciation	(11,857,072)	(3,838,437)	(15,695,509)
Total Noncurrent Assets	11,592,071	8,250,557	19,842,628
Total Assets	14,083,801	8,767,289	22,851,090
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized Loss on Refunding	-	278,401	278,401
Deferred Items - IMRF	259,522	-	259,522
Deferred Items - Police Pension	109,270	-	109,270
Total Deferred Outflows of Resources	368,792	278,401	647,193
Total Assets and Deferred Outflows of Resources	14,452,593	9,045,690	23,498,283

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 132,094	13,550	145,644
Accrued Payroll	88,002	1,487	89,489
Accrued Interest Payable	-	22,403	22,403
Other Payables	-	1,134	1,134
Current Portion of Long-Term Debt	48,124	240,000	288,124
Total Current Liabilities	268,220	278,574	546,794
Noncurrent Liabilities			
Net Pension Liability - IMRF	500,847	-	500,847
Net Pension Liability - Police Pension	2,438,441	-	2,438,441
Installment Contracts Payable	166,742	-	166,742
General Obligation Bonds Payable	-	2,035,000	2,035,000
Total Noncurrent Liabilities	3,106,030	2,035,000	5,141,030
Total Liabilities	3,374,250	2,313,574	5,687,824
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	866,671	-	866,671
Total Liabilities and Deferred Inflows of Resources	4,240,921	2,313,574	6,554,495
NET POSITION			
Net Investment in Capital Assets	11,377,205	6,253,958	17,631,163
Parks	213,811	-	213,811
Motor Fuel Taxes	82,102	-	82,102
Police	31,006	-	31,006
Debt Service	31,036	-	31,036
Capital	706,659	392,875	1,099,534
Unrestricted (Deficit)	(2,230,147)	85,283	(2,144,864)
Total Net Position	10,211,672	6,732,116	16,943,788

The notes to the financial statements are an integral part of this statement.

VILLAGE OF JOHNSBURG, ILLINOIS

**Statement of Activities
For the Fiscal Year Ended April 30, 2016**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Primary Government				
Governmental Activities				
General Government	\$ 1,332,361	380,336	5,256	84,360
Public Safety	2,000,457	10,561	-	75,528
Highways and Streets	1,621,516	1,015	168,652	-
Parks and Building	134,304	5,060	-	-
Sanitation	196,592	-	-	300,000
Interest on Long-Term Debt	(8,204)	-	-	-
Total Governmental Activities	5,277,026	396,972	173,908	459,888
Business-Type Activities				
Waterworks and Sewerage	711,132	272,806	-	-
Total Primary Government	5,988,158	669,778	173,908	459,888

General Revenues

Taxes

Property Taxes

Road and Bridge Taxes

Personal Property

Replacement Taxes

Telecommunication Taxes

Utility Taxes

Other Taxes

Intergovernmental - Unrestricted

Sales and Use Taxes

Income Taxes

Interest Income

Miscellaneous

Interfund - Internal Activity

Change in Net Position

Net Position - Beginning as Restated

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expense)/Revenue		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
(862,409)	-	(862,409)
(1,914,368)	-	(1,914,368)
(1,451,849)	-	(1,451,849)
(129,244)	-	(129,244)
103,408	-	103,408
8,204	-	8,204
(4,246,258)	-	(4,246,258)
-	(438,326)	(438,326)
(4,246,258)	(438,326)	(4,684,584)
1,068,296	-	1,068,296
141,686	-	141,686
1,335	-	1,335
139,873	-	139,873
273,943	-	273,943
101,226	-	101,226
1,490,250	-	1,490,250
642,335	-	642,335
1,895	3	1,898
67,058	-	67,058
(331,068)	331,068	-
3,596,829	331,071	3,927,900
(649,429)	(107,255)	(756,684)
10,861,101	6,839,371	17,700,472
10,211,672	6,732,116	16,943,788

The notes to the financial statements are an integral part of this statement.

VILLAGE OF JOHNSBURG, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2016

	General	Special Revenue Motor Fuel Tax	Capital Projects		Totals
			Special Service Area	Land and Building	
ASSETS					
Cash and Investments	\$ 906,205	67,680	31,366	14,915	1,020,166
Receivables - Net of Allowances					
Property Taxes	849,255	-	7,499	9,917	866,671
Other Taxes	499,119	14,422	-	-	513,541
Accounts	45,936	-	-	-	45,936
Prepays	45,416	-	-	-	45,416
Total Assets	2,345,931	82,102	38,865	24,832	2,491,730
LIABILITIES					
Accounts Payable	131,764	-	330	-	132,094
Accrued Payroll	88,002	-	-	-	88,002
Total Liabilities	219,766	-	330	-	220,096
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	849,255	-	7,499	9,917	866,671
Total Liabilities and Deferred Inflows of Resources	1,069,021	-	7,829	9,917	1,086,767
FUND BALANCES					
Nonspendable	45,416	-	-	-	45,416
Restricted	951,476	82,102	31,036	-	1,064,614
Assigned	-	-	-	14,915	14,915
Unassigned	280,018	-	-	-	280,018
Total Fund Balances	1,276,910	82,102	31,036	14,915	1,404,963
Total Liabilities, Deferred Inflows of Resources and Fund Balances	2,345,931	82,102	38,865	24,832	2,491,730

The notes to the financial statements are an integral part of this statement.

VILLAGE OF JOHNSBURG, ILLINOIS

**Reconciliation of Total Governmental Fund Balance to the
Statement of Net Position - Governmental Activities**

April 30, 2016

Total Governmental Fund Balances \$ 1,404,963

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 funds. 11,592,071

Deferred outflows (inflows) of resources related to the pensions not reported in the funds.
Deferred Items - IMRF 259,522
Deferred Items - Police Pension 109,270

Long-term liabilities are not due and payable in the current
period and therefore are not reported in the funds.
Net Pension Liability - IMRF (500,847)
Net Pension Liability - Police Pension (2,438,441)
Installment Contracts Payable (214,866)

Net Position of Governmental Activities 10,211,672

VILLAGE OF JOHNSBURG, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2016

	General	Special Revenue	Capital		Totals
		Motor Fuel Tax	Special Service Area	Land and Building	
Revenues					
Taxes	\$ 1,708,976	-	7,492	9,891	1,726,359
Charges for Services	211,160	-	-	-	211,160
Licenses and Permits	67,638	-	-	-	67,638
Intergovernmental	2,137,841	168,652	-	-	2,306,493
Fines and Forfeits	118,174	-	-	-	118,174
Interest	1,554	325	-	16	1,895
Miscellaneous	67,058	-	-	-	67,058
Total Revenues	4,312,401	168,977	7,492	9,907	4,498,777
Expenditures					
Current					
General Government	1,220,304	-	5,405	-	1,225,709
Public Safety	1,667,598	-	-	-	1,667,598
Highways and Streets	626,012	391,073	-	-	1,017,085
Parks and Building	102,220	-	-	-	102,220
Sanitation	196,592	-	-	-	196,592
Capital Outlay	359,261	-	-	559,877	919,138
Debt Service					
Principal Retirement	-	-	-	35,134	35,134
Interest and Fiscal Charges	-	-	-	5,301	5,301
Total Expenditures	4,171,987	391,073	5,405	600,312	5,168,777
Excess (Deficiency) of Revenues Over (Under) Expenditures	140,414	(222,096)	2,087	(590,405)	(670,000)
Other Financing Sources (Uses)					
Debt Issuance	-	-	-	250,000	250,000
Disposal of Capital Assets	174,900	-	-	-	174,900
Transfers In	-	-	-	348,099	348,099
Transfers Out	(678,779)	-	(388)	-	(679,167)
	(503,879)	-	(388)	598,099	93,832
Net Change in Fund Balances	(363,465)	(222,096)	1,699	7,694	(576,168)
Fund Balances - Beginning as Restated	1,640,375	304,198	29,337	7,221	1,981,131
Fund Balances - Ending	1,276,910	82,102	31,036	14,915	1,404,963

The notes to the financial statements are an integral part of this statement.

VILLAGE OF JOHNSBURG, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities - Governmental Activities**

For the Fiscal Year Ended April 30, 2016

Net Change in Fund Balances - Total Governmental Funds \$ (576,168)

Amounts reported for governmental activities in the Statement of Activities
are different because:

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

Capital Outlays	812,811
Depreciation Expense	(693,186)
Disposals - Cost	(146,485)
Disposals - Accumulated Depreciation	51,435
Capital Contributions	459,888

Deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Change in Deferred Items - IMRF	201,970
Change in Deferred Items - Police Pension	(70,021)

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

(Increase) to Net Pension Liability - IMRF	(285,012)
(Increase) to Net Pension Liability - Police Pension	(203,300)
Issuance of Debt	(250,000)
Retirement of Debt	35,134

Changes to accrued interest on long-term debt in the Statement of Activities
does not require the use of current financial resources and, therefore, are not
reported as expenditures in the governmental funds.

13,505

Changes in Net Position of Governmental Activities

(649,429)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF JOHNSBURG, ILLINOIS

Statement of Net Position - Proprietary Funds - Business-Type Activities
April 30, 2016

	<u>Waterworks and Sewerage</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 477,294
Receivables - Net of Allowances	
Accounts	38,043
Prepays	<u>1,395</u>
Total Current Assets	<u>516,732</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	226,000
Depreciable	11,862,994
Accumulated Depreciation	<u>(3,838,437)</u>
Total Noncurrent Assets	<u>8,250,557</u>
Total Assets	8,767,289
DEFERRED OUTFLOWS OF RESOURCES	
Unamortized Loss on Refunding	<u>278,401</u>
Total Assets and Deferred Outflows of Resources	<u>9,045,690</u>

The notes to the financial statements are an integral part of this statement.

	<u>Waterworks and Sewerage</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 13,550
Accrued Payroll	1,487
Accrued Interest Payable	22,403
Other Payables	1,134
General Obligation Bonds Payable	<u>240,000</u>
Total Current Liabilities	278,574
Noncurrent Liabilities	
General Obligation Bonds Payable	<u>2,035,000</u>
Total Liabilities	<u>2,313,574</u>
NET POSITION	
Net Investment in Capital Assets	6,253,958
Restricted - Capital	392,875
Unrestricted	<u>85,283</u>
Total Net Position	<u><u>6,732,116</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF JOHNSBURG, ILLINOIS

**Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds - Business-Type Activities
For the Fiscal Year Ended April 30, 2016**

	<u>Waterworks and Sewerage</u>
Operating Revenues	
Charges for Services	<u>\$ 272,806</u>
Operating Expenses	
Operations	218,579
Depreciation	<u>386,762</u>
Total Operating Expenses	<u>605,341</u>
Operating Income (Loss)	<u>(332,535)</u>
Nonoperating Revenues (Expenses)	
Interest Income	3
Interest and Fiscal Charges	<u>(105,791)</u>
	<u>(105,788)</u>
Income (Loss) Before Transfers	(438,323)
Transfers In	<u>331,068</u>
Change in Net Position	(107,255)
Net Position - Beginning as Restated	<u>6,839,371</u>
Net Position - Ending	<u><u>6,732,116</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF JOHNSBURG, ILLINOIS

**Statement of Cash Flows - Proprietary Funds - Business Type Activities
For the Fiscal Year Ended April 30, 2016**

	<u>Waterworks and Sewerage</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 295,585
Payments to Employees	(24,735)
Payments to Suppliers	(200,081)
	<u>70,769</u>
Cash Flows from Noncapital Financing Activities	
Transfers In	<u>331,068</u>
Cash Flows from Capital and Related Financing Activities	
Interest and Fiscal Charges	(105,791)
Payment of Bond Principal	(235,000)
	<u>(340,791)</u>
Cash Flows from Investing Activities	
Interest Received	<u>3</u>
Net Change in Cash and Cash Equivalents	61,049
Cash and Cash Equivalents - Beginning	<u>416,245</u>
Cash and Cash Equivalents - Ending	<u><u>477,294</u></u>
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income (Loss)	(332,535)
Adjustments to Reconcile Operating	
Income to Net Income to Net Cash	
Provided by (Used In) Operating Activities:	
Depreciation Expense	386,762
(Increase) Decrease in Current Assets	22,779
Increase (Decrease) in Current Liabilities	(6,237)
	<u>70,769</u>
Net Cash Provided by Operating Activities	<u><u>70,769</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF JOHNSBURG, ILLINOIS

Statement of Fiduciary Net Position
April 30, 2016

	Pension Trust	
	Police Pension	Agency
ASSETS		
Cash and Cash Equivalents	\$ 362,323	317,913
Investments		
Corporate Bonds	1,171,922	-
Mutual Funds	155,482	-
Insurance Contracts	510,816	-
Accrued interest	5,565	-
Prepays	2,564	-
Total Assets	<u>2,208,672</u>	<u>317,913</u>
LIABILITIES		
Accounts Payable	460	-
Due to Other Governments	-	6,163
Due to Bondholders	-	311,750
Total Liabilities	<u>460</u>	<u>317,913</u>
NET POSITION		
Net Position Restricted for Pensions	<u>2,208,212</u>	

The notes to the financial statements are an integral part of this statement.

VILLAGE OF JOHNSBURG, ILLINOIS

Statement of Changes in Fiduciary Net Position For the Fiscal Year Ended April 30, 2016

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 189,611
Contributions - Plan Members	<u>74,236</u>
Total Contributions	<u>263,847</u>
Investment Income	
Interest Earned	38,151
Net Change in Fair Value	<u>9,934</u>
	48,085
Less Investment Expenses	<u>(2,386)</u>
Net Investment Income	<u>45,699</u>
Total Additions	<u>309,546</u>
Deductions	
Administration	21,996
Benefits and Refunds	<u>96,092</u>
Total Deductions	<u>118,088</u>
Change in Fiduciary Net Position	191,458
Net Position Restricted for Pensions	
Beginning	<u>2,016,754</u>
Ending	<u><u>2,208,212</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Johnsburg, Illinois (Village) was incorporated in 1956 and operates under a Trustee-Village form of government. The Village provides a full range of services including police protection, streets and roads, sanitation, health and social services, public improvements, planning and zoning and general administrative services. On November 19, 1991, the Village of Johnsburg annexed the surrounding unincorporated area of Johnsburg. On February 18, 1992, the name of the Village was changed from the Village of Sunnyside to the Village of Johnsburg.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Johnsburg
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION

Government-Wide Financial Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's police safety, highway and street maintenance and reconstruction, health and social services, public improvements, planning and zoning, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, sales taxes, income taxes, interest income, etc.).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

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

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund, the Motor Fuel Tax Fund, which is used to account for the maintenance and construction of streets and roads as approved by the Illinois Department of Transportation.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains two capital projects funds. The Special Service Area Fund (SSA #6, SSA #11 and SSA #13) is used to account for revenue from specific revenue sources that are legally restricted to expenditures for mowing and upkeep of certain special service areas. The Land and Building Fund is used to account for the proceeds of specific revenue for the Village's land and building acquisition.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village one major enterprise fund. The Waterworks and Sewerage Fund is used to account for the provision of potable water and wastewater treatment 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 and maintenance, financing and related debt service, billing and collection.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds – Continued

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

Agency funds are used to account for assets held by the Village in a purely custodial capacity. The Village maintains two agency funds. The Developer Deposits Fund is used to account for monies received on behalf of developers for qualifying expenses. The Special Service Areas Fund (SSA #18, SSA #27 and SSA #28) is used to account for the collection of property taxes within the special service areas and the payments of related special service area debt.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, income taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services.

The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Investments that do not have any established market, if any, are reported at estimated fair value.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Prepays

Prepays are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, income taxes, and grants. Business-type activities report utility charges as their major receivables.

Capital Assets

Capital assets purchased or acquired with original costs of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the government chose to include all such items regardless of their acquisition date. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets – Continued

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Land Improvements	20 Years
Machinery and Equipment	5 - 10 Years
Buildings, Wells and Improvements	20 - 50 Years
System and Roadways Infrastructure	20 - 50 Years

Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while 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 debt service expenditures.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual budgets are adopted for all funds on a basis consistent with accounting principles generally accepted in the United States of America. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at the fiscal year end.

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

1. Within or before the first quarter of each fiscal year, the Board of Trustees shall adopt a combined annual budget and appropriation ordinance.
2. The budget document is available for public inspection for at least 30 days prior to the Board of Trustees’ passage of the annual appropriation ordinance. The Board of Trustees is also required to hold at least one public hearing on the budget.
3. Subsequent to the enactment of the annual appropriation ordinance, the Board of Trustees has the authority to make necessary adjustments to the budget. There were no budget adjustments made during the year. By ordinance, any unexpended balance of any items may be expended in making up any deficiency.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

EXCESS OF ACTUAL EXPENDITURES/EXPENSES, EXCLUSIVE OF DEPRECIATION, OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget for the fiscal year.

Fund	Excess
Land and Building	\$ 12,812
Waterworks and Sewerage	62,145

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments – Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds.

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

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

The deposits and investments of the Pension Fund are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, pension funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$990,576 and the bank balances totaled \$1,182,243. In addition, the Village has \$506,884 invested in the Illinois Funds at year-end.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Village's investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in shorter term securities, money market funds or similar investment pools. The Village's investment in the Illinois Funds has an average of less than one year.

VILLAGE OF JOHNSBURG, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk –

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village’s policy limits its exposure to credit risk by limiting investments to the safest types of securities, prequalifying the financial institution, intermediaries and advisors with which the Village will conduct business; and diversifying the investment portfolio so that potential loss on individual securities will be minimized. The Village’s investment in the Illinois Fund is rated AAAM by Standard & Poor’s.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village’s deposits may not be returned to it. The Village’s investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with the collateral held by the Village or a third party in the Village’s name. At year-end, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Illinois Funds is not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village’s investment in a single issuer. At year-end, the Village’s investment in the Illinois Funds was greater than 5% of its total overall portfolio (cash and cash equivalents and investments).

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund’s deposits totaled \$362,323 and the bank balances totaled \$372,880.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
Corporate Bonds	\$ 1,171,922	-	677,276	213,754	280,892

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk – Continued

Interest Rate Risk. The fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations, while providing a reasonable rate of return based on the current market.

Credit Risk. The fund limits its exposure to credit risk by limiting investments to the safest types of securities, prequalifying the financial institution, intermediaries and advisors with which the Fund will conduct business; and diversifying the investment portfolio so that potential loss on individual investments will be minimized. The investments in corporate bonds were rated A to CCC- by Standard & Poor's.

The fund's investment policy also prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as possible income to be derived."

Custodial Credit Risk. The Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance. At year-end the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

For an investment, the fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Police Pension Board, to act as custodian for its securities and collateral.

Concentration Risk. The fund's investment policy defines the strategy in which the Police Pension Board adheres to for investments as follows:

In addition to the securities and fair values previously listed, the Fund also has \$155,482 invested in mutual funds and \$510,816 invested in insurance contracts. At year end, the Pension Plan had the following investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits:

Investment	Amount
Vanguard Total Stk	\$ 906,807
Vanguard 500 Index	874,390
Osterweis Strategic	663,851
Double Line Low Duration	616,871
Double Line Total Return	497,557
Metrowest Unconstrained	496,895

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk – Continued

Concentration Risk – Continued. The Fund’s investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	25%	N/A
Corporate Bonds	20%	N/A
Certificates of Deposit	22%	N/A
Annuities	23%	N/A
Mutual Funds	10%	N/A

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 an asset allocation study conducted by the Fund’s investment management consultant in May 2016 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund’s target asset allocation as of April 30, 2016 are listed in the table above.

Rate of Return

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 0.04%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2015 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 0.5% of the tax levy, to reflect actual collection experience.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 508,549	644,360	-	1,152,909
Depreciable Capital Assets				
Land Improvements	676,429	-	-	676,429
Machinery and Equipment	1,552,711	328,339	10,700	1,870,350
Buildings and Improvements	1,111,588	300,000	135,785	1,275,803
Roadways Infrastructure	18,473,652	-	-	18,473,652
	<u>21,814,380</u>	<u>628,339</u>	<u>146,485</u>	<u>22,296,234</u>
Less Accumulated Depreciation				
Land Improvements	473,418	33,821	-	507,239
Machinery and Equipment	1,227,211	71,351	10,700	1,287,862
Buildings and Improvements	409,170	43,808	40,735	412,243
Roadways Infrastructure	9,105,522	544,206	-	9,649,728
	<u>11,215,321</u>	<u>693,186</u>	<u>51,435</u>	<u>11,857,072</u>
Total Net Depreciable Capital Assets	<u>10,599,059</u>	<u>(64,847)</u>	<u>95,050</u>	<u>10,439,162</u>
Total Net Capital Assets	<u>11,107,608</u>	<u>579,513</u>	<u>95,050</u>	<u>11,592,071</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 24,490
Public Safety	33,882
Highways and Streets	602,730
Parks and Buildings	<u>32,084</u>
	<u>693,186</u>

VILLAGE OF JOHNSBURG, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 226,000	-	-	226,000
Depreciable Capital Assets				
Wells, Buildings and Improvements	3,394,817	-	-	3,394,817
System Infrastructure	8,468,177	-	-	8,468,177
	<u>11,862,994</u>	-	-	<u>11,862,994</u>
Less Accumulated Depreciation				
Wells, Buildings and Improvements	1,059,859	95,365	-	1,155,224
System Infrastructure	2,391,816	291,397	-	2,683,213
	<u>3,451,675</u>	<u>386,762</u>	-	<u>3,838,437</u>
Total Net Depreciable Capital Assets	<u>8,411,319</u>	<u>(386,762)</u>	-	<u>8,024,557</u>
Total Net Capital Assets	<u>8,637,319</u>	<u>(386,762)</u>	-	<u>8,250,557</u>

Depreciation expense was charged to business-type as follows:

Waterworks and Sewerage	<u>\$ 386,762</u>
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INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Waterworks and Sewerage	General	\$ 330,680 (2)
Waterworks and Sewerage	Special Service Area	388 (1)
Land and Building	General	<u>348,099 (3)</u>
		<u>679,167</u>

VILLAGE OF JOHNSBURG, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS – Continued

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the General Fund to the Waterworks and Sewerage Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

LONG-TERM DEBT

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 capital-related debt. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances as Restated	Issuances	Retirements	Ending Balances
General Obligation Alternate Revenue Source Refunding Bonds of 2006 - Due in annual installments of \$60,000 to \$85,000 plus interest at 3.60% to 4.30% through January 1, 2018.	Waterworks and Sewerage	\$ 245,000	-	80,000	165,000
General Obligation Alternate Revenue Source Refunding Bonds of 2009 - Due in annual installments of \$140,000 to \$230,000 plus interest at 2.50% to 4.30% through February 1, 2027.	Waterworks and Sewerage	2,265,000	-	155,000	2,110,000
		<u>2,510,000</u>	<u>-</u>	<u>235,000</u>	<u>2,275,000</u>

VILLAGE OF JOHNSBURG, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Contract Payable

The Village also issues installment contracts payable to provide funds for the purchase of capital assets. Installment contracts currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Installment Contract of 2015 - Due in monthly installments of \$4,493 including interest at 3.00% through July 10, 2020.	Land and Building	\$ -	250,000	35,134	214,866

Long-Term Liability Activity

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

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Net Pension Liability - IMRF	\$ 215,835	285,012	-	500,847	-
Net Pension Liability - Police	2,235,141	203,300	-	2,438,441	-
Installment Contracts	-	250,000	35,134	214,866	48,124
	<u>2,450,976</u>	<u>738,312</u>	<u>35,134</u>	<u>3,154,154</u>	<u>48,124</u>
Business-Type Activities					
General Obligation Bonds	<u>2,510,000</u>	-	<u>235,000</u>	<u>2,275,000</u>	<u>240,000</u>

For governmental activities, the net pension liabilities are generally liquidated by the General Fund. The installment contracts are being liquidated by the Land and Building Fund. For business-type activities, the Waterworks and Sewerage Fund makes payments on the the general obligation bonds.

VILLAGE OF JOHNSBURG, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities		Business-Type Activities	
	Installment Contracts		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2017	\$ 48,124	5,789	240,000	87,247
2018	49,587	4,325	250,000	78,607
2019	51,096	2,818	170,000	69,590
2020	52,648	1,267	175,000	63,980
2021	13,411	67	185,000	57,768
2022	-	-	190,000	51,200
2023	-	-	195,000	43,980
2024	-	-	205,000	36,570
2025	-	-	215,000	28,165
2026	-	-	220,000	19,350
2027	-	-	230,000	9,890
Totals	214,866	14,266	2,275,000	546,347

Defeased Debt

In prior years, the Village defeased general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payment on the old bonds. Since the requirements which normally satisfy defeasance, have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Village's basic financial statements. Defeased bonds of \$165,000 remain outstanding as of the date of this report.

VILLAGE OF JOHNSBURG, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2015	<u>\$ 176,074,189</u>
Legal Debt Limit - 8.625% of Assessed Value	15,186,399
Amount of Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>15,186,399</u>

Non-Commitment Debt

Special Service Area Bonds

Special service area bonds outstanding as of the date of this report totaled \$713,500. These bonds are not an obligation of the Village and are secured by the levy of annual tax on the real property within the special service area. The Village is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax, and forwarding the collections to bondholders. Special service area bonds outstanding are comprised of the following as of April 30, 2016:

Special Service Area #18	\$ 18,500
Special Service Area #27	535,000
Special Service Area #28	<u>160,000</u>
	<u>713,500</u>

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE CLASSIFICATION

Net Investment in Capital Assets

Net investment in capital assets was comprised of the following as of April 30, 2016:

Governmental Activities		
Capital Assets - Net of Accumulated Depreciation		\$ 11,592,071
Less Capital Related Debt:		
Installment Contracts		<u>(214,866)</u>
Net Investment in Capital Assets		<u><u>11,377,205</u></u>
Business-Type Activities		
Capital Assets - Net of Accumulated Depreciation		8,250,557
Plus: Unamortized Loss on Refunding		278,401
Less Capital Related Debt:		
Alternate Revenue Bonds		<u>(2,275,000)</u>
Net Investment in Capital Assets		<u><u>6,253,958</u></u>

Net Position/Fund Balance Restatement

For governmental and business-type activities, net position was restated due to the implementation of GASB Statement No. 68 and to correct the recording of debt and interfunds in the prior year. In addition, beginning fund balance in the General Fund and Waterworks and Sewerage Fund was restated to correct recording of transfers from the prior year and the Special Service Area Fund fund balance was restated to correct the recording of debt in the prior year. The following is a summary of the net position/fund balance as originally reported and as restated:

Net Position/Fund Balance	As Reported	As Restated	(Decrease)
Governmental Activities	\$ 14,648,078	10,861,101	(3,786,977)
General	4,065,120	1,640,375	(2,424,745)
Special Service Area	307,741	29,337	(278,404)
Waterworks and Sewerage/ Business-Type Activities	4,414,633	6,839,371	2,424,738

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE CLASSIFICATION – Continued

Fund Balance Classifications

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Assigned Fund Balance. The assigned fund balance classification refers to amounts that are constrained by the Village management’s intent to be used for specific purposes, but are neither restricted nor committed.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Projects Motor Fuel Tax	Capital Projects		Totals
			Special Service Area	Land and Building	
Fund Balances					
Nonspendable					
Prepays	\$ 45,416	-	-	-	45,416
Restricted					
Parks	213,811	-	-	-	213,811
Motor Fuel Taxes	-	82,102	-	-	82,102
Police	31,006	-	-	-	31,006
Debt Service	-	-	31,036	-	31,036
Capital	706,659	-	-	-	706,659
	951,476	82,102	31,036	-	1,064,614
Assigned					
Capital Projects	-	-	-	14,915	14,915
Unassigned	280,018	-	-	-	280,018
Total Fund Balances	1,276,910	82,102	31,036	14,915	1,404,963

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Village has purchased insurance through risk pools and private insurance companies. Risks covered include general liability, workers' compensation and other. During the fiscal year there were no significant reductions in insurance coverage for any category. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years. Premiums paid have been displayed as expenditures in appropriate funds.

Illinois Municipal League Risk Management Association (IMLRMA)

The Village is a member of the Illinois Municipal League Risk Management Association (IMLRMA), which has been formed to provide casualty, property and liability protections and to administer some or all insurance coverage and protection other than health, life and accidental coverage. It is intended that IMLRMA will provide a way for members to equalize annual fluctuations in insurance costs and risks. Complete financial statements for IMLRMA can be obtained from its administrator, 1101 West Lake Street, Chicago, IL 60607-1609.

ECONOMIC DEVELOPMENT INCENTIVE

The Village has entered into an agreement with a developer to provide economic incentives over a sixteen-year period. The incentive is made in quarterly payments based on sales tax produced by the property which was constructed by the developer. The Village shall rebate to the developer two-thirds of the sales tax revenue received by the Village as generated by the development, in excess of the base amount each year. The maximum incentive under this agreement is \$4,000,000. Through April 30, 2016, the Village has remitted \$1,467,648 to the developer, including \$382,089 in the current year. All payments have been recorded as an expenditure of the General Fund. The remaining maximum obligation as of April 30, 2016 is \$2,532,352.

CONTINGENT LIABILITIES

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.

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, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system and the Police Pension Plan, a single-employer pension plan. Separate, audited GAAP-basis financial statements for the Police Pension Plan can be obtained by writing the Village at 1515 Channel Beach Avenue, Johnsburg, Illinois 60051. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at www.imrf.org. The benefit, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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

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

VILLAGE OF JOHNSBURG, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

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

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

Plan Membership. As of December 31, 2015, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	4
Inactive Plan Members Entitled to but not yet Receiving Benefits	4
Active Plan Members	<u>9</u>
Total	<u><u>17</u></u>

Contributions. As set by statute, the Village’s Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village’s annual contribution rate for calendar year 2015 was 11.61% of covered payroll.

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

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2015, using the following actuarial methods and assumptions:

Actuarial Valuation Date	12/31/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.48%
Salary Increases	3.75% to 14.50%
Cost of Living Adjustments	2.75%
Inflation	2.75%

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

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

A Single Discount Rate of 7.48% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.48%.

Discount Rate Sensitivity

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.48%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
Net Pension Liability	\$ 785,614	500,847	268,447

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 1,566,526	1,350,691	215,835
Changes for the year:			
Service Cost	49,052	-	49,052
Interest on the Total Pension Liability	116,916	-	116,916
Difference Between Expected and Actual Experience of the Total Pension Liability	194,049	-	194,049
Changes of Assumptions	-	-	-
Contributions - Employer	-	57,552	(57,552)
Contributions - Employees	-	22,307	(22,307)
Net Investment Income	-	6,813	(6,813)
Benefit Payments, including Refunds of Employee Contributions	(56,003)	(56,003)	-
Other (Net Transfer)	-	(11,667)	11,667
Net Changes	304,014	19,002	285,012
Balances at December 31, 2015	1,870,540	1,369,693	500,847

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the year ended April 30, 2016, the Village recognized pension expense of \$83,042. At April 30, 2016, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 163,946	-	163,946
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	75,957	-	75,957
Pension Contributions Made Subsequent to the Measurement Date	19,619	-	19,619
Total Deferred Amounts Related to IMRF	<u>259,522</u>	-	<u>259,522</u>

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

Fiscal Year	Net Deferred Outflows of Resources
2017	\$ 68,711
2018	49,092
2019	49,092
2020	49,093
2021	30,103
Thereafter	<u>13,431</u>
Total	<u>259,522</u>

VILLAGE OF JOHNSBURG, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum 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 Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At April 30, 2016, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	2
Inactive Plan Members Entitled to but not yet Receiving Benefits	2
Active Plan Members	<u>10</u>
Total	<u><u>14</u></u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ 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 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 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 officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent 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 office 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 percent of ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2016, the Village's contribution was 25.53% of covered payroll.

Concentrations. At year end, the Pension Plan had the following investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits.

Investment	Amount
Vanguard Total Stk	\$ 906,807
Vanguard 500 Index	874,390
Osterweis Strategic	663,851
Double Line Low Duration	616,871
Double Line Total Return	497,557
Metrowest Unconstrained	496,895

VILLAGE OF JOHNSBURG, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2016, using the following actuarial methods and assumptions:

Actuarial Valuation Date	4/30/2016
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Level Dollar
Actuarial Assumptions	
Interest Rate	6.50%
Salary Increases	1.12% to 4.86%
Cost of Living Adjustments	3.50%
Inflation	3.50%

Mortality rates were based on the RP-2000 CHBCA Mortality Table. The actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 6.50%, the same as the prior valuation. 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 Village contributions will be made at rates equal to the difference between the 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 project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Discount Rate Sensitivity

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

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net Pension Liability	\$ 3,324,365	2,438,441	1,719,296

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2015	\$ 4,251,896	2,016,755	2,235,141
Changes for the year:			
Service Cost	177,757	-	177,757
Interest on the Total Pension Liability	273,510	-	273,510
Difference Between Expected and Actual Experience of the Total Pension Liability	39,582	-	39,582
Changes of Assumptions	-	-	-
Contributions - Employer	-	189,611	(189,611)
Contributions - Employees	-	74,236	(74,236)
Net Investment Income	-	45,698	(45,698)
Benefit Payments, including Refunds of Employee Contributions	(96,092)	(96,092)	-
Administrative Expenses	-	(21,996)	21,996
Net Changes	394,757	191,457	203,300
Balances at April 30, 2016	4,646,653	2,208,212	2,438,441

VILLAGE OF JOHNSBURG, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

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

For the year ended April 30, 2016, the Village recognized pension expense of \$273,321. At April 30, 2016, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 37,147	-	37,147
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	72,123	-	72,123
Total Deferred Amounts Related to Police Pension	<u>109,270</u>	-	<u>109,270</u>

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

Fiscal Year	Net Deferred Outflows of Resources
2017	\$ 20,465
2018	20,465
2019	20,465
2020	20,465
2021	2,435
Thereafter	<u>24,975</u>
Total	<u>109,270</u>

VILLAGE OF JOHNSBURG, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Village has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Village are required to pay 100% of the current premium. However, only one employee has chosen to stay in the Village's health insurance plan. As the explicit cost of the one retiree paying 100% of the premium is immaterial, there is no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. Therefore, the Village has not recorded a liability as of April 30, 2016.

SUBSEQUENT EVENT

On April 30, 2016, the Village obtained non-commitment debt through the issuance of Special Service Area #32 bonds in the amount of \$575,000. These bonds are not an obligation of the Village and are secured by the levy of annual tax on the real property within the special service area. The Village is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax, and forwarding the collections to bondholders.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund

- Schedule of Changes in the Employer's Net Pension Liability
 - Illinois Municipal Retirement Fund
 - Police Pension Fund

- Schedule of Investment Returns
 - Police Pension Fund

- Budgetary Comparison Schedules
 - General Fund
 - Motor Fuel Tax – Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF JOHNSBURG, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2016**

Calendar Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 57,552	\$ 57,552	\$ -	\$ 495,720	11.61%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	28 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	3.00%
Salary Increases	4.40% - 16.00%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2000 Combined Healthy Mortality Table

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF JOHNSBURG, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2016**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 302,429	\$ 130,691	\$ (171,738)	\$ 765,673	17.07%
2016	309,711	189,611	(120,100)	742,697	25.53%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	Market Value
Inflation	3.50%
Salary Increases	1.12% to 4.86%
Investment Rate of Return	6.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP 2000 Combined Healthy Mortality Table

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF JOHNSBURG, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information Schedule of Changes in the Employer's Net Pension Liability April 30, 2016

	<u>12/31/15</u>
Total Pension Liability	
Service Cost	\$ 49,052
Interest	116,916
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	194,049
Change of Assumptions	-
Benefit Payments, Including Refunds of Member Contributions	<u>(56,003)</u>
Net Change in Total Pension Liability	304,014
Total Pension Liability - Beginning	<u>1,566,526</u>
Total Pension Liability - Ending	<u><u>1,870,540</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 57,552
Contributions - Members	22,307
Net Investment Income	6,813
Benefit Payments, Including Refunds of Member Contributions	(56,003)
Administrative Expense	<u>(11,667)</u>
Net Change in Plan Fiduciary Net Position	19,002
Plan Net Position - Beginning	<u>1,350,691</u>
Plan Net Position - Ending	<u><u>1,369,693</u></u>
Employer's Net Pension Liability	<u><u>\$ 500,847</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.22%
Covered-Employee Payroll	\$ 495,720
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	101.03%

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF JOHNSBURG, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2016**

	2015	2016
Total Pension Liability		
Service Cost	\$ 184,591	177,757
Interest	237,051	273,510
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	2,806	39,582
Change of Assumptions	226,520	-
Benefit Payments, Including Refunds of Member Contributions	(84,940)	(96,092)
Net Change in Total Pension Liability	566,028	394,757
Total Pension Liability - Beginning	3,685,868	4,251,896
Total Pension Liability - Ending	4,251,896	4,646,653
Plan Fiduciary Net Position		
Contributions - Employer	\$ 130,691	189,611
Contributions - Members	72,587	74,236
Net Investment Income	20,022	45,698
Benefit Payments, Including Refunds of Member Contributions	(84,940)	(96,092)
Administrative Expense	35,320	(21,996)
Net Change in Plan Fiduciary Net Position	173,680	191,457
Plan Net Position - Beginning	1,843,075	2,016,755
Plan Net Position - Ending	2,016,755	2,208,212
Employer's Net Pension Liability	\$ 2,235,141	2,438,441
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.43%	47.52%
Covered-Employee Payroll	\$ 765,673	742,697
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	291.92%	328.32%

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF JOHNSBURG, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Investment Returns

April 30, 2016

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	N/A
2016	0.04%

N/A - Not Available

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF JOHNSBURG, ILLINOIS

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 1,600,145	1,600,145	1,708,976
Charges for Services	172,340	172,340	211,160
Licenses and Permits	95,300	95,300	67,638
Intergovernmental	2,035,556	2,035,556	2,137,841
Fines and Forfeitures	202,900	202,900	118,174
Interest	1,400	1,400	1,554
Miscellaneous	64,574	64,574	67,058
Total Revenues	<u>4,172,215</u>	<u>4,172,215</u>	<u>4,312,401</u>
Expenditures			
Current			
General Government	1,033,705	1,033,705	1,220,304
Public Safety	1,574,242	1,574,242	1,667,598
Highways and Streets	743,172	743,172	626,012
Parks and Building	229,221	229,221	102,220
Sanitation	197,092	197,092	196,592
Capital Outlay	322,207	322,207	359,261
Debt Service			
Principal Retirement	331,830	331,830	-
Total Expenditures	<u>4,431,469</u>	<u>4,431,469</u>	<u>4,171,987</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(259,254)</u>	<u>(259,254)</u>	<u>140,414</u>
Other Financing Sources (Uses)			
Debt Issuance	250,000	250,000	-
Disposal of Capital Assets	175,000	175,000	174,900
Transfers In	626,300	626,300	-
Transfers Out	(975,777)	(975,777)	(678,779)
	<u>75,523</u>	<u>75,523</u>	<u>(503,879)</u>
Net Change in Fund Balance	<u>(183,731)</u>	<u>(183,731)</u>	<u>(363,465)</u>
Fund Balance - Beginning as Restated			<u>1,640,375</u>
Fund Balance - Ending			<u><u>1,276,910</u></u>

VILLAGE OF JOHNSBURG, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 138,000	138,000	168,652
Interest	250	250	325
Total Revenues	<u>138,250</u>	<u>138,250</u>	<u>168,977</u>
Expenditures			
Highways and Streets			
Road Maintenance/Resurfacing	372,000	372,000	345,533
Engineering	37,151	37,151	45,540
Total Expenditures	<u>409,151</u>	<u>409,151</u>	<u>391,073</u>
Net Change in Fund Balance	<u>(270,901)</u>	<u>(270,901)</u>	(222,096)
Fund Balance - Beginning			<u>304,198</u>
Fund Balance - Ending			<u><u>82,102</u></u>

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
 - General Fund
 - Special Service Area - Capital Projects Fund
 - Land and Building - Capital Projects Fund
- Budgetary Comparison Schedules – Enterprise Fund
 - Waterworks and Sewerage Fund
- Budgetary Comparison Schedule – Fiduciary Fund
 - Police Pension – Pension Trust Fund
- Statement of Changes in Assets and Liabilities – Agency Funds

INDIVIDUAL FUND SCHEDULES

GENERAL FUND

The General Fund, a major fund, accounts for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUND

Special Revenue Funds are created to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the maintenance and construction of streets and roads as approved by the Illinois Department of Transportation.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

Special Service Area Fund

The Special Services Area Fund is used to account for the capital related costs for the areas designated as Special Service Areas.

Land and Building Fund

The Land and Building Fund is used to account for the proceeds of specific revenue for the Village's land and building acquisition.

INDIVIDUAL FUND SCHEDULES

ENTERPRISE FUND

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose. The Village's enterprise fund is a non-major fund.

Waterworks and Sewerage Fund

The Waterworks and Sewerage Fund is used to account for the provision of potable water and wastewater treatment 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 and maintenance, financing and related debt service, billing and collection.

TRUST AND AGENCY FUNDS

PENSION TRUST FUND

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

AGENCY FUNDS

Developer Deposits Fund

The Developer Deposits Fund is used to account for monies received on behalf of developers for qualifying expenses.

Special Service Areas Fund

The Special Service Areas Fund is used to account for the collection of property taxes within the Special Service Areas and payments of related special service area debt.

VILLAGE OF JOHNSBURG, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 899,039	899,039	1,050,913
Personal Property Replacement Taxes	1,500	1,500	1,335
Road and Bridge Taxes	137,856	137,856	141,686
Telecommunication Taxes	150,000	150,000	139,873
Utility Taxes	330,000	330,000	273,943
Other Taxes	81,750	81,750	101,226
	<u>1,600,145</u>	<u>1,600,145</u>	<u>1,708,976</u>
Charges for Services			
Filing/Contractor Service Fees	2,500	2,500	39,868
Village Hall Impact Fees	2,794	2,794	2,949
Emergency Siren Fee	100	100	-
Road Maintenance Fee	616	616	1,015
Platting/Zoning/Annex Fees	500	500	800
Municipal Transition Fee	1,195	1,195	-
School Impact/Transition Fees	26,345	26,345	19,110
Library Impact Fee	1,028	1,028	1,058
Park Fees	6,990	6,990	5,060
Police Evidence Fund	-	-	4,290
DARE Account	-	-	992
Explorer Post 567	-	-	5,104
Newsletter Advertising	13,500	13,500	9,500
Garbage Stickers	9,000	9,000	6,871
Business Registration	300	300	575
Vehicle/Boat Sticker Fee	2,000	2,000	1,472
Copy Fees	700	700	692
Cable Franchise Fees	102,000	102,000	109,024
Water Tower Lease	2,772	2,772	2,780
	<u>172,340</u>	<u>172,340</u>	<u>211,160</u>
Licenses and Permits			
Building Permits	65,000	65,000	37,888
Non-Highway Vehicle Permits	1,000	1,000	1,875
Vending Machine License	6,000	6,000	7,325
Liquor License	23,300	23,300	20,550
	<u>95,300</u>	<u>95,300</u>	<u>67,638</u>

VILLAGE OF JOHNSBURG, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Intergovernmental			
State Sales Tax	\$ 1,260,000	1,260,000	1,343,967
State Income Tax	627,363	627,363	642,335
State Use Tax	122,937	122,937	146,283
Grants - General Government	5,256	5,256	5,256
Grants - Police	20,000	20,000	-
	<u>2,035,556</u>	<u>2,035,556</u>	<u>2,137,841</u>
Fines and Forfeitures			
Police Fines	4,900	4,900	3,370
Local Fines	100,000	100,000	53,313
Court Fines	75,000	75,000	54,300
DUI/Drug Seizure	23,000	23,000	7,191
	<u>202,900</u>	<u>202,900</u>	<u>118,174</u>
Interest	<u>1,400</u>	<u>1,400</u>	<u>1,554</u>
Miscellaneous			
Donations	13,500	13,500	38,421
Other	51,074	51,074	28,637
	<u>64,574</u>	<u>64,574</u>	<u>67,058</u>
Total Revenues	<u>4,172,215</u>	<u>4,172,215</u>	<u>4,312,401</u>

VILLAGE OF JOHNSBURG, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
General Government			
Salaries Administration	\$ 312,352	312,352	275,715
Employers' Pension Contribution IMRF	33,013	33,013	26,358
Social Security/Medicare	24,277	24,277	20,490
Insurance - Medical	37,840	37,840	22,553
Employee Assistance Program	1,860	1,860	525
Insurance - Liability	6,789	6,789	5,450
Communication	4,558	4,558	5,257
Travel/Reimbursed Expenditures	5,430	5,430	8,636
Auto Allowance	200	200	209
Training	500	500	915
Postage	5,044	5,044	7,601
Publication	2,500	2,500	1,464
Printing	8,500	8,500	13,424
Audit	13,620	13,620	14,270
Engineering	27,600	27,600	99,749
Legal	30,000	30,000	94,502
Building Inspections/Reviews	20,000	20,000	83,875
Community Affairs	15,140	15,140	24,991
Committee Expenditures	150	150	-
McRide Public Transportation	8,529	8,529	9,855
Dues	3,540	3,540	4,361
Contracted Services	28,000	28,000	40,392
Contractual Maintenance Equipment	12,189	12,189	16,781
Office Supplies	2,000	2,000	1,726
Uniforms	200	200	165
Miscellaneous Expenditures	2,500	2,500	4,312
Impact/Transition Fee Payments	27,374	27,374	31,247
Sales Tax Reimbursement	400,000	400,000	405,481
Total General Government	1,033,705	1,033,705	1,220,304

VILLAGE OF JOHNSBURG, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Public Safety			
Salaries Police	\$ 940,748	940,748	932,859
Overtime Salaries Police	88,396	88,396	104,917
Employer's Pension Contribution IMRF	4,525	4,525	8,681
Employers' Pension Contribution Police Pension	35,555	35,555	189,611
Social Security/Medicare	20,101	20,101	27,362
Insurance - Medical	111,193	111,193	93,343
Maintenance - Vehicle	12,400	12,400	21,981
Maintenance - Equipment	14,300	14,300	13,817
Insurance - Liability	70,958	70,958	59,602
Communication	104,734	104,734	102,406
Travel/Reimbursable Expenditures	8,200	8,200	2,411
Training	18,390	18,390	7,956
Postage	950	950	937
Legal	39,840	39,840	38,021
Dues	14,254	14,254	13,039
Office Supplies	3,420	3,420	1,728
Gas and Oil Expenditures	42,000	42,000	30,956
Operating Expenditures/Supplies	6,350	6,350	3,656
Uniforms	10,878	10,878	10,273
Drug Seizure Expenditures	17,000	17,000	137
DUI Seizure Expenditures	6,000	6,000	789
Police Commission Expenditures	4,050	4,050	3,116
Total Public Safety	1,574,242	1,574,242	1,667,598
Highways and Streets			
Salaries Public Works	162,134	162,134	180,070
Overtime Salaries Public Works	7,121	7,121	16,661
Employer's Pension Contribution IMRF	18,303	18,303	20,791
Social Security/Medicare	14,110	14,110	15,062
Insurance - Medical	17,362	17,362	10,100
Maintenance - Vehicle	9,000	9,000	14,906
Maintenance - Equipment	5,000	5,000	6,309
Maintenance - Streets	313,850	313,850	174,587

VILLAGE OF JOHNSBURG, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Snow Removal	\$ 49,500	49,500	57,039
Insurance - Liability	41,433	41,433	35,128
Communication	2,580	2,580	2,329
Street Lighting/Signalization	70,879	70,879	71,950
Equipment Rental	1,000	1,000	672
Training	100	100	-
Contracted Services	800	800	607
Gas and Oil Expenditures	25,000	25,000	15,428
Operating Supplies	1,500	1,500	2,665
Uniforms	3,000	3,000	1,669
Miscellaneous Expenditures	500	500	39
Total Highways and Streets	743,172	743,172	626,012
Parks and Building			
Park Salaries	6,100	6,100	6,295
Social Security/Medicare	466	466	476
Maintenance - Village Hall	1,500	1,500	2,639
Maintenance - Public Safety	1,700	1,700	1,706
Maintenance - Parks	42,980	42,980	14,984
Maintenance - Public Works	16,400	16,400	16,840
Insurance - Liability	-	-	14
Utilities	1,800	1,800	2,531
Taxes	250	250	328
Contracted Services	28,000	28,000	42,062
Park Supplies	525	525	239
Building Supplies	1,000	1,000	2,401
Building Improvements	110,000	110,000	11,580
Friends of the Park Expenditures	500	500	125
Sunnyside Park Expenditures	18,000	18,000	-
Total Parks and Building	229,221	229,221	102,220
Sanitation			
Garbage	197,092	197,092	196,592

VILLAGE OF JOHNSBURG, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Capital Outlay			
General Government			
Vehicles	\$ 14,000	14,000	-
Equipment	51,507	51,507	78,970
Public Safety			
Vehicles	28,000	28,000	48,062
Equipment	28,200	28,200	28,656
Highways and Streets			
Vehicles	110,000	110,000	123,624
Equipment	90,500	90,500	79,949
	<u>322,207</u>	<u>322,207</u>	<u>359,261</u>
Debt Service			
Principal Retirement	<u>331,830</u>	<u>331,830</u>	-
	<u>4,431,469</u>	<u>4,431,469</u>	<u>4,171,987</u>

VILLAGE OF JOHNSBURG, ILLINOIS

Special Service Area - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 7,500	7,500	7,492
Expenditures			
General Government			
Maintenance SSA #6, 11, 13	12,500	12,500	5,405
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,000)	(5,000)	2,087
Other Financing (Uses)			
Transfers Out	-	-	(388)
Net Change in Fund Balance	<u>(5,000)</u>	<u>(5,000)</u>	1,699
Fund Balance - Beginning as Restated			<u>29,337</u>
Fund Balance - Ending			<u><u>31,036</u></u>

VILLAGE OF JOHNSBURG, ILLINOIS

Land and Building - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 9,915	9,915	9,891
Interest	100	100	16
Total Revenues	<u>10,015</u>	<u>10,015</u>	<u>9,907</u>
Expenditures			
Capital Outlay			
Land Acquisition	560,000	560,000	559,877
Debt Service			
Principal Retirement	27,500	27,500	35,134
Interest and Fiscal Charges	-	-	5,301
Total Expenditures	<u>587,500</u>	<u>587,500</u>	<u>600,312</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(577,485)</u>	<u>(577,485)</u>	<u>(590,405)</u>
Other Financing Sources			
Transfers In	-	-	348,099
Debt Issuance	578,000	578,000	250,000
	<u>578,000</u>	<u>578,000</u>	<u>598,099</u>
Net Change in Fund Balance	<u>515</u>	<u>515</u>	7,694
Fund Balance - Beginning			<u>7,221</u>
Fund Balance - Ending			<u><u>14,915</u></u>

VILLAGE OF JOHNSBURG, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 218,100	218,100	272,806
Operating Expenses			
Operations	156,434	156,434	218,579
Depreciation	-	-	386,762
Total Operating Expenses	156,434	156,434	605,341
Operating Income (Loss)	61,666	61,666	(332,535)
Nonoperating Revenues (Expenses)			
Interest Income	100	100	3
Interest and Fiscal Charges	-	-	(105,791)
	100	100	(105,788)
Income (Loss) Before Transfers	61,766	61,766	(438,323)
Transfers In	-	-	331,068
Change in Net Position	61,766	61,766	(107,255)
Net Position - Beginning as Restated			6,839,371
Net Position - Ending			6,732,116

VILLAGE OF JOHNSBURG, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Operations			
Shiloh Ridge Water Utility			
Salary	\$ 4,100	4,100	4,123
Social Security/Medicare	313	313	314
Maintenance Shiloh System	1,000	1,000	1,407
Insurance - Liability	863	863	796
Utilities - Shiloh System	2,300	2,300	2,559
Postage	200	200	200
Maintenance Water Testing	500	500	298
Supplies	1,000	1,000	1,916
Miscellaneous Expenses	600	600	602
	<u>10,876</u>	<u>10,876</u>	<u>12,215</u>
Route 31 Water System			
Salary	8,200	8,200	8,244
Social Security/Medicare	627	627	627
Maintenance Route 31 System	6,800	6,800	20,485
Insurance - Liability	863	863	804
Utilities Route 31 System	8,000	8,000	7,147
Postage	900	900	900
Engineering	-	-	1,306
Maintenance Water Testing	1,500	1,500	3,046
Supplies	2,500	2,500	1,889
Water Meters	2,000	2,000	276
Miscellaneous Expenses	900	900	899
	<u>32,290</u>	<u>32,290</u>	<u>45,623</u>
Sewer Improvements			
Salary	12,300	12,300	12,368
Social Security/Medicare	940	940	941
Maintenance Sewer Improvement	10,000	10,000	22,044
Insurance	1,728	1,728	1,561
Utilities Sewer Improvement	8,000	8,000	12,856
Audit	1,000	1,000	-
Engineering	5,000	5,000	20,209
Legal	-	-	6,471
Contracted Services	50,000	50,000	61,898
Maintenance Sewer Testing	15,000	15,000	13,834
Supplies	1,000	1,000	63
Miscellaneous Expenses	8,300	8,300	8,496
	<u>113,268</u>	<u>113,268</u>	<u>160,741</u>

VILLAGE OF JOHNSBURG, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Operations - Continued			
Capital Outlay			
Sewer Capital	\$ 23,525	23,525	-
Water Capital	37,904	37,904	-
Less Nonoperating Items			
Capitalizations	(61,429)	(61,429)	-
Total Capital Outlay	-	-	-
Total Operations	156,434	156,434	218,579
Depreciation	-	-	386,762
Total Operating Expenses	156,434	156,434	605,341

VILLAGE OF JOHNSBURG, ILLINOIS

Police Pension - Pension Trust Fund

**Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 189,986	189,986	189,611
Contributions - Plan Members	79,560	79,560	74,236
Total Contributions	269,546	269,546	263,847
Investment Income			
Interest Earned	-	-	38,151
Net Change in Fair Value	-	-	9,934
	-	-	48,085
Less Investment Expenses	-	-	(2,386)
Net Investment Income	-	-	45,699
Total Additions	269,546	269,546	309,546
Deductions			
Administration	-	-	21,996
Benefits and Refunds	269,546	269,546	96,092
Total Deductions	269,546	269,546	118,088
Change in Fiduciary Net Position	-	-	191,458
Net Position Restricted for Pension			
Beginning			2,016,754
Ending			2,208,212

VILLAGE OF JOHNSBURG, ILLINOIS

Agency Funds

**Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended April 30, 2016**

	Beginning Balances	Additions	Deductions	Ending Balances
All Funds				
ASSETS				
Cash and Investments	\$ -	317,913	-	317,913
LIABILITIES				
Due to Other Governments	-	6,163	-	6,163
Due to Developers	-	311,750	-	311,750
Total Liabilities	-	317,913	-	317,913
Developer Deposits Fund				
ASSETS				
Cash and Investments	-	38,455	-	38,455
LIABILITIES				
Due to Other Governments	-	6,163	-	6,163
Due to Developers	-	32,292	-	32,292
Total Liabilities	-	38,455	-	38,455
Special Service Areas Fund				
ASSETS				
Cash and Investments	-	279,458	-	279,458
LIABILITIES				
Due to Developers	-	279,458	-	279,458

SUPPLEMENTAL SCHEDULES

VILLAGE OF JOHNSBURG, ILLINOIS

Long-Term Debt Requirements

**General Obligation Alternate Revenue Source Refunding Bonds of 2006
April 30, 2016**

Date of Issue	January 17, 2006
Date of Maturity	January 1, 2018
Authorized Issue	\$775,000
Denomination of Bonds	\$5,000
Interest Rates	3.60% - 4.30%
Interest Dates	July 1 and January 1
Principal Maturity Date	July 1
Payable at	Amalgamated Bank of Chicago, Chicago IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2017	\$ 80,000	7,095	87,095
2018	85,000	3,655	88,655
	<u>165,000</u>	<u>10,750</u>	<u>175,750</u>

VILLAGE OF JOHNSBURG, ILLINOIS

Long-Term Debt Requirements

**General Obligation Alternate Revenue Source Refunding Bonds of 2009
April 30, 2016**

Date of Issue	December 31, 2009
Date of Maturity	February 1, 2027
Authorized Issue	\$3,000,000
Denomination of Bonds	\$5,000
Interest Rates	2.50% - 4.30%
Interest Dates	August 1 and February 1
Principal Maturity Date	February 1
Payable at	Amalgamated Bank of Chicago, Chicago IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2017	\$ 160,000	80,152	240,152
2018	165,000	74,952	239,952
2019	170,000	69,590	239,590
2020	175,000	63,980	238,980
2021	185,000	57,768	242,768
2022	190,000	51,200	241,200
2023	195,000	43,980	238,980
2024	205,000	36,570	241,570
2025	215,000	28,165	243,165
2026	220,000	19,350	239,350
2027	230,000	9,890	239,890
	<u>2,110,000</u>	<u>535,597</u>	<u>2,645,597</u>

VILLAGE OF JOHNSBURG, ILLINOIS

Long-Term Debt Requirements

Installment Contract of 2015

April 30, 2016

Date of Issue	June 25, 2015
Date of Maturity	July 10, 2020
Authorized Issue	\$250,000
Interest Rate	3.00%
Interest Dates	10th of the Month
Principal Maturity Dates	10th of the Month
Payable at	McHenry Savings Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2017	\$ 48124	5,789	53,913
2018	49587	4,325	53,912
2019	51096	2,818	53,914
2020	52648	1,267	53,915
2021	13411	67	13,478
	<u>214,866</u>	<u>14,266</u>	<u>229,132</u>

STATISTICAL SECTION

(Unaudited)

This part of the 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.

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.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

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.

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.

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.

VILLAGE OF JOHNSBURG, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
April 30, 2016 (Unaudited)

See Following Page

VILLAGE OF JOHNSBURG, ILLINOIS

**Net Position by Component - Last Ten Fiscal Years*
April 30, 2016 (Unaudited)**

	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental Activities			
Net Investment in Capital Assets	\$ 11,787,335	11,787,336	11,514,165
Restricted	-	-	-
Unrestricted	1,120,383	650,416	618,273
Total Governmental Activities Net Position	<u>12,907,718</u>	<u>12,437,752</u>	<u>12,132,438</u>
Business-Type Activities			
Net Investment in Capital Assets	5,382,027	3,958,493	3,862,915
Restricted	-	-	-
Unrestricted	1,089,191	1,871,370	1,277,373
Total Business-Type Activities Net Position	<u>6,471,218</u>	<u>5,829,863</u>	<u>5,140,288</u>
Net Position			
Net Investment in Capital Assets	17,169,362	15,745,829	15,377,080
Restricted	-	-	-
Unrestricted	2,209,574	2,521,786	1,895,646
Total Net Position	<u>19,378,936</u>	<u>18,267,615</u>	<u>17,272,726</u>

*Accrual Basis of Accounting

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
10,571,169	11,550,339	11,308,400	10,980,988	10,410,687	10,341,108	11,377,205
-	290,890	698,728	840,975	682,396	921,407	1,064,614
1,220,298	1,899,681	2,259,135	3,120,606	3,455,026	3,385,563	(2,230,147)
11,791,467	13,740,910	14,266,263	14,942,569	14,548,109	14,648,078	10,211,672
5,082,222	6,224,108	6,116,220	5,717,949	6,265,582	6,117,993	6,253,958
-	-	-	-	-	-	392,875
(288,277)	(861,724)	(1,220,718)	(385,799)	(1,407,085)	(1,703,360)	85,283
4,793,945	5,362,384	4,895,502	5,332,150	4,858,497	4,414,633	6,732,116
15,653,391	17,774,447	17,424,620	16,698,937	16,676,269	16,459,101	17,631,163
-	290,890	698,728	840,975	682,396	921,407	1,457,489
932,021	1,037,957	1,038,417	2,734,807	2,047,941	1,682,203	(2,144,864)
16,585,412	19,103,294	19,161,765	20,274,719	19,406,606	19,062,711	16,943,788

VILLAGE OF JOHNSBURG, ILLINOIS

**Changes in Net Position - Last Ten Fiscal Years*
April 30, 2016 (Unaudited)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities										
General Government	\$ 965,060	998,284	723,966	603,290	575,949	582,598	564,952	1,093,725	1,186,534	1,332,361
Public Safety	869,249	1,036,004	1,016,520	1,104,802	1,011,304	1,106,730	1,206,642	1,473,533	1,492,987	2,000,457
Highways and Streets	941,536	1,087,264	1,167,329	1,048,012	1,024,043	985,708	1,086,531	1,688,875	1,151,174	1,621,516
Parks and Building	50,127	138,614	98,885	64,625	49,690	70,175	75,002	88,100	91,578	134,304
Sanitation	324,728	346,611	318,823	388,779	354,974	318,708	354,424	393,442	377,394	196,592
Interest	16,572	19,437	10,455	11,838	37,026	54,373	53,006	48,146	45,712	(8,204)
Total Governmental Activities Expenses	3,167,272	3,626,214	3,335,978	3,221,346	3,052,986	3,118,292	3,340,557	4,785,821	4,345,379	5,277,026
Business-Type Activities										
Waterworks and Sewerage	709,899	956,774	867,293	706,814	705,757	724,189	734,785	794,023	588,288	711,132
Interest	-	-	-	-	-	-	-	-	103,008	-
Total Business-Type Activities Expenses	709,899	956,774	867,293	706,814	705,757	724,189	734,785	794,023	691,296	711,132
Total Expenses	3,877,171	4,582,988	4,203,271	3,928,160	3,758,743	3,842,481	4,075,342	5,579,844	5,036,675	5,988,158
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	429,021	410,654	282,305	291,483	403,197	304,971	278,532	325,973	306,658	380,336
Public Safety	129,932	134,709	141,657	113,701	131,710	131,252	127,823	154,519	139,444	10,561
Highways and Streets	-	-	-	-	-	605	-	-	63,350	1,015
Parks and Building	63,994	61,636	26,166	12,554	4,326	9,658	-	11,988	17,258	5,060
Sanitation	-	-	-	-	3,502	8,458	2,080	5,450	5,941	-
Operating Grants/Contributions	218,954	198,757	201,647	233,204	252,297	200,564	194,413	220,742	191,581	173,908
Capital Grants/Contributions	412,771	-	18,750	-	-	-	6,938	29,091	17,792	459,888
	1,254,672	805,756	670,525	650,942	795,032	655,508	609,786	747,763	742,024	1,030,768
Business-Type Activities										
Charges for Services										
Waterworks and Sewerage	574,871	242,630	146,983	153,481	354,154	257,293	207,914	215,606	226,769	272,806
Capital Grants/Contributions										
Waterworks and Sewerage	-	-	-	197,700	279,100	-	913,460	71,740	-	-
	574,871	242,630	146,983	351,181	633,254	257,293	1,121,374	287,346	226,769	272,806
Total Program Revenues	1,829,543	1,048,386	817,508	1,002,123	1,428,286	912,801	1,731,160	1,035,109	968,793	1,303,574

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense) Revenue										
Governmental Activities	\$ (1,912,600)	(2,820,458)	(2,665,453)	(2,570,404)	(2,257,954)	(2,462,784)	(2,730,771)	(4,038,058)	(3,603,355)	(4,246,258)
Business-Type Activities	(135,028)	(714,144)	(720,310)	(355,633)	(72,503)	(466,896)	386,589	(506,677)	(464,527)	(438,326)
Total Net (Expense) Revenue	(2,047,628)	(3,534,602)	(3,385,763)	(2,926,037)	(2,330,457)	(2,929,680)	(2,344,182)	(4,544,735)	(4,067,882)	(4,684,584)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	848,340	902,298	926,284	1,018,852	1,032,602	1,093,791	1,112,392	1,148,368	1,131,689	1,068,296
Utility	-	-	-	-	203,535	318,525	303,129	335,475	315,538	273,943
Replacement	1,434	1,584	1,392	1,359	1,407	1,214	1,309	1,399	1,479	1,335
Hospitality	-	-	-	-	-	7,220	6,357	2,832	2,148	-
Other	397,351	349,535	278,158	247,837	351,326	230,922	267,797	257,780	214,059	382,785
Intergovernmental										
Sales	393,401	456,894	442,458	409,671	429,115	727,880	968,979	1,214,261	1,254,896	1,490,250
Income	534,200	605,808	701,467	549,675	614,493	614,708	831,340	715,080	777,961	642,335
Investment Income	31,067	34,370	10,379	2,041	2,189	2,124	2,429	1,427	1,410	1,895
Miscellaneous	-	-	-	-	2,213,300	-	-	-	80,362	67,058
Transfers - Interfund Activity	-	-	-	-	(640,570)	-	(50,000)	(33,024)	(76,218)	(331,068)
Total Governmental Activities	2,205,793	2,350,489	2,360,138	2,229,435	4,207,397	2,996,384	3,443,732	3,643,598	3,703,324	3,596,829
Business-Type Activities										
Investment Income	80,071	72,788	30,735	9,290	371	16	59	-	-	3
Transfers - Interfund Activity	-	-	-	-	640,570	-	50,000	33,024	20,663	331,068
Total Business-Type Activities	80,071	72,788	30,735	9,290	640,941	16	50,059	33,024	20,663	331,071
Totals	2,285,864	2,423,277	2,390,873	2,238,725	4,848,338	2,996,400	3,493,791	3,676,622	3,723,987	3,927,900
Changes in Net Position										
Governmental Activities	293,193	(469,969)	(305,315)	(340,969)	1,949,443	533,600	712,961	(394,460)	99,969	(649,429)
Business-Type Activities	(54,957)	(641,356)	(689,575)	(346,343)	568,438	(466,880)	436,648	(473,653)	(443,864)	(107,255)
Totals	238,236	(1,111,325)	(994,890)	(687,312)	2,517,881	66,720	1,149,609	(868,113)	(343,895)	(756,684)

*Accrual Basis of Accounting

Data Source: Village Records

VILLAGE OF JOHNSBURG, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

	2007	2008	2009
General Fund			
Unreserved	\$ 960,922	848,262	981,883
Nonspendable	-	-	-
Restricted	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total General Fund	<u>960,922</u>	<u>848,262</u>	<u>981,883</u>
All Other Governmental Funds			
Unreserved, Reported in			
Special Revenues Funds	111,037	36,828	34,556
Debt Service Funds	50,935	59,652	38,014
Capital Projects Funds	5,126	2,232	966
Restricted	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total All Other Governmental Funds	<u>167,098</u>	<u>98,712</u>	<u>73,536</u>
Total Governmental Funds	<u><u>1,128,020</u></u>	<u><u>946,974</u></u>	<u><u>1,055,419</u></u>

Note: GASB 54 was implemented in fiscal year 2011.

*Decrease in fund balance for 2016 was due to the Village restating beginning net position to correct prior years errors in debt and interfunds.

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016*
979,393	-	-	-	-	-	-
-	15,046	39,986	38,089	41,286	35,214	45,416
-	-	208,135	201,619	206,373	274,254	951,476
-	-	336,411	770,654	914,049	706,388	-
-	1,582,694	2,045,021	2,647,228	2,740,138	3,049,264	280,018
979,393	1,597,740	2,629,553	3,657,590	3,901,846	4,065,120	1,276,910
208,766	-	-	-	-	-	-
36,578	-	-	-	-	-	-
6,318	-	-	-	-	-	-
-	595,631	450,607	601,267	434,737	611,939	113,138
-	-	-	-	-	-	14,915
-	42,324	2,300	2,884	2,515	7,221	-
251,662	637,955	452,907	604,151	437,252	619,160	128,053
1,231,055	2,235,695	3,082,460	4,261,741	4,339,098	4,684,280	1,404,963

VILLAGE OF JOHNSBURG, ILLINOIS

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

	2007	2008	2009
Revenues			
Taxes	\$ 1,940,639	2,292,216	2,450,931
Charges for Services and Fees	191,274	165,741	79,057
Licenses and Permits	-	-	-
Intergovernmental	498,407	56,918	40,168
Fines and Forfeits	624,055	434,933	354,622
Interest	31,067	34,370	10,380
Miscellaneous	175,023	172,068	95,505
Total Revenues	3,460,465	3,156,246	3,030,663
Expenditures			
General Government	854,382	858,846	698,224
Public Safety	842,446	991,589	983,521
Highways and Streets	416,820	567,605	702,115
Parks and Building	15,301	33,918	38,985
Sanitation	324,728	346,611	318,823
Capital Outlay	895,591	500,585	67,950
Debt Service			
Principal	93,707	55,231	97,769
Interest and Fiscal Charges	13,064	18,909	14,831
Total Expenditures	3,456,039	3,373,294	2,922,218
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,426	(217,048)	108,445
Other Financing Sources (Uses)			
Proceeds from Debt Issuance	250,000	36,000	-
Disposal of Capital Assets	-	-	-
Transfers In	-	-	-
Transfers Out	-	-	-
	250,000	36,000	-
Net Change in Fund Balances	254,426	(181,048)	108,445
Debt Service as a Percentage of Noncapital Expenditures	4.00%	2.43%	3.97%

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
2,354,926	2,685,198	3,137,064	3,600,148	3,870,566	3,889,351	1,726,359
27,765	15,870	33,312	6,462	11,599	80,362	211,160
-	-	-	-	-	-	67,638
61,638	44,358	24,448	-	42,863	81,142	2,306,493
332,463	397,067	337,962	319,611	370,544	312,580	118,174
2,041	2,189	2,124	2,429	1,427	1,410	1,895
101,544	144,668	116,982	174,868	127,386	156,721	67,058
2,880,377	3,289,350	3,651,892	4,103,518	4,424,385	4,521,566	4,498,777
561,483	528,351	531,952	525,056	1,059,634	985,156	1,225,709
1,072,716	994,395	984,757	1,165,778	1,371,015	1,461,023	1,667,598
546,780	547,133	409,136	484,712	735,192	599,835	1,017,085
24,853	15,494	35,978	40,805	55,261	58,131	102,220
388,779	354,974	318,708	354,424	393,442	377,394	196,592
51,591	33,137	447,471	344,884	530,288	388,249	919,138
69,111	75,606	59,731	90,102	116,990	200,544	35,134
12,852	10,459	65,393	51,847	52,182	47,834	5,301
2,728,165	2,559,549	2,853,126	3,057,608	4,314,004	4,118,166	5,168,777
152,212	729,801	798,766	1,045,910	110,381	403,400	(670,000)
23,425	915,409	48,000	183,371	-	-	250,000
-	-	-	-	-	18,000	174,900
-	-	-	32,991	46,639	111,400	348,099
-	(640,570)	-	(82,991)	(79,663)	(187,618)	(679,167)
23,425	274,839	48,000	133,371	(33,024)	(58,218)	93,832
175,637	1,004,640	846,766	1,179,281	77,357	345,182	(576,168)
3.04%	30.57%	5.20%	5.16%	4.00%	6.66%	0.93%

VILLAGE OF JOHNSBURG, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years April 30, 2016 (Unaudited)

Tax Levy Year	Residential Property	Farm	Commercial Property
2006	\$ 207,620,847	1,316,445	18,149,737
2007	222,062,125	1,296,723	22,695,074
2008	231,796,471	1,272,150	26,628,772
2009	229,350,096	1,257,810	26,626,920
2010	219,513,320	1,221,431	25,393,700
2011	195,462,563	1,158,680	23,837,193
2012	175,662,367	1,043,994	25,153,080
2013	155,674,465	960,464	22,298,454
2014	149,641,258	942,732	21,181,804
2015	153,925,795	890,546	20,830,327

Data Source: McHenry County Clerk's and Treasurer's Offices

Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
471,294	227,558,323	-	227,558,323	0.357
753,243	246,807,165	-	246,807,165	0.348
697,321	260,394,714	-	260,394,714	0.353
678,491	257,913,317	-	257,913,317	0.360
642,020	246,770,471	-	246,770,471	0.389
607,282	221,065,718	-	221,065,718	0.443
560,799	202,420,240	-	202,420,240	0.505
503,968	179,437,351	-	179,437,351	0.581
436,869	172,202,663	-	172,202,663	0.618
427,521	176,074,189	-	176,074,189	0.488

VILLAGE OF JOHNSBURG, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2016 (Unaudited)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>
Village of Johnsburg			
General Rate	\$ 0.357	0.348	0.353
Overlapping Rates			
Public Library	0.112	0.108	0.110
Community Unit School District #12	3.825	3.706	3.825
McHenry County	0.706	0.687	0.701
McHenry Township Fire District	0.412	0.401	0.409
Community College District #528	0.274	0.263	0.269
McHenry County Conservation District	0.143	0.174	0.173
McHenry Township	0.120	0.116	0.118
McHenry Township Road & Bridge	0.217	0.210	0.214
Total Direct and Overlapping Tax Rate	<u>6.165</u>	<u>6.014</u>	<u>6.170</u>

Notes:

Overlapping rates are those of local and county governments that apply to property owners within the Village.

Not all overlapping rates apply to all Village property owners.

Data Source: McHenry County Clerk's and Treasurer's Offices

2009	2010	2011	2012	2013	2014	2015
0.360	0.389	0.443	0.505	0.581	0.618	0.488
0.112	0.121	0.136	0.157	0.181	0.192	0.191
3.844	4.191	4.767	5.568	6.535	6.928	6.798
0.716	0.793	0.888	0.996	1.096	1.141	1.078
0.422	0.460	0.449	0.499	0.593	0.628	0.628
0.274	0.304	0.339	0.392	0.431	0.445	0.435
0.178	0.196	0.219	0.248	0.275	0.284	0.277
0.122	0.132	0.150	0.168	0.191	0.200	0.198
0.221	0.240	0.273	0.305	0.354	0.355	0.351
6.248	6.825	7.665	8.838	10.236	10.790	10.443

VILLAGE OF JOHNSBURG, ILLINOIS

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2016 (Unaudited)**

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Wal Mart Real Est Bus TR	\$ 3,504,012	1	1.99%			
J C Penney Prop Inc	2,089,324	2	1.19%			
DDR McHenry Square LLC	1,889,775	3	1.07%			
Resident	777,980	4	0.44%			
Woodstock Amcore						
Bank Trust	683,933	5	0.39%			
Broders Property LLC	590,372	6	0.34%	\$ 474,140	8	0.21%
Resident	538,390	7	0.31%	1,177,045	1	0.52%
Lake Forest Northern						
Trust Bank	529,285	8	0.30%	585,957	5	0.26%
Val Mar Center LLC	529,077	9	0.30%	966,403	2	0.42%
Park National Bank Trust	457,226	10	0.26%			
Riverside RBF LLC				681,282	3	0.30%
Chicago Title & Trust						
Co. Trust				601,341	4	0.26%
Resident				509,549	6	0.22%
Resident				506,173	7	0.22%
Moulis Management LLC				491,580	9	0.22%
	<u>11,589,374</u>		<u>6.58%</u>	<u>5,993,470</u>		<u>2.63%</u>

Data Source: McHenry County Clerk's and Treasurer's Offices

VILLAGE OF JOHNSBURG, ILLINOIS

**Property Tax Levies and Collections - Last Ten Tax Levy Years
April 30, 2016 (Unaudited)**

Tax Levy Year	Taxes Levied for the Fiscal Year	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	\$ 761,325	761,265	99.99%	N/A	\$ 761,265	99.99%
2006	812,611	811,169	99.82%	N/A	811,169	99.82%
2007	859,629	855,576	99.53%	N/A	855,576	99.53%
2008	918,594	917,054	99.83%	N/A	917,054	99.83%
2009	929,081	927,235	99.80%	N/A	927,235	99.80%
2010	959,246	957,747	99.84%	N/A	957,747	99.84%
2011	979,609	977,284	99.76%	N/A	977,284	99.76%
2012	1,022,445	1,021,752	99.93%	N/A	1,021,752	99.93%
2013	1,042,710	1,039,668	99.71%	N/A	1,039,668	99.71%
2014	1,063,386	1,060,804	99.76%	-	1,060,804	99.76%

N/A - Not Available

Data Source: Village Records

VILLAGE OF JOHNSBURG, ILLINOIS

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Fiscal Year	Governmental Activities		Business- Type Activities	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	Installment Contracts	Debt Certificates	General Obligation Bonds			
2007	\$ 40,000	\$ 95,969	\$ 3,508,413	\$ 3,644,382	N/A	\$ N/A
2008	66,000	87,557	5,365,000	5,518,557	N/A	N/A
2009	20,000	78,788	5,175,000	5,273,788	N/A	N/A
2010	29,455	69,647	3,595,000	3,694,102	0.73%	582.94
2011	11,878	60,117	3,390,000	3,461,995	0.70%	546.75
2012	40,081	50,184	3,180,000	3,270,265	0.65%	517.12
2013	73,542	150,492	2,965,000	3,189,034	0.63%	506.52
2014	37,076	116,468	2,740,000	2,893,544	0.53%	460.02
2015	-	-	2,510,000	2,510,000	N/A	397.78
2016	214,866	-	2,275,000	2,489,866	N/A	N/A

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

(1) See Schedule of Demographic and Economic Statistics for personal income and population data.

N/A - Not Available

Data Source: Village Records

VILLAGE OF JOHNSBURG, ILLINOIS

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Fiscal Year	Gross General Obligation Bonds	Less: Amounts Available in Debt Service	Net General Obligation Bonds	Percentage of Equalized Assessed Valuation (1)	Per Capita (2)
2007	\$ 3,508,413	\$ -	\$ 3,508,413	1.54%	\$ N/A
2008	5,365,000	-	5,365,000	2.17%	N/A
2009	5,175,000	-	5,175,000	1.99%	N/A
2010	3,595,000	-	3,595,000	1.39%	567.30
2011	3,390,000	-	3,390,000	1.37%	535.38
2012	3,180,000	-	3,180,000	1.44%	502.85
2013	2,965,000	-	2,965,000	1.46%	470.93
2014	2,740,000	-	2,740,000	1.53%	435.61
2015	2,510,000	-	2,510,000	1.46%	397.78
2016	2,275,000	31,036	2,243,964	1.27%	N/A

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

(1) See Legal of Legal Debt Margin for Equalized Assessed Value data.

(2) See Schedule of Demographic and Economic Statistics for population data.

N/A - Not Available

Data Source: Village Records

VILLAGE OF JOHNSBURG, ILLINOIS

**Schedule of Direct and Overlapping Bonded Debt
April 30, 2016 (Unaudited)**

Governmental Unit	Gross Debt	*Percentage to Debt Applicable to Village	Village's Share of Debt
Village of Johnsburg	\$ 214,866	100.00%	\$ 214,866
Public Library	-	56.20%	-
Community Unit School District #12	43,100,734	56.90%	24,524,318
McHenry County	29,859,000	2.50%	746,475
McHenry Township Fire District	-	15.70%	-
Community College District #528	4,110,000	2.70%	110,970
McHenry County Conservation District	104,580,000	2.54%	2,656,332
McHenry Township	95,098	18.60%	17,688
Subtotals	181,744,832		28,055,783
Totals	181,959,698		28,270,649

* Determined by the ratio of assessed value of property in the Village subject to taxation by the Governmental Unit to the total assessed value of property of the Governmental Unit.

Data Source: McHenry County Tax Extension Department

VILLAGE OF JOHNSBURG, ILLINOIS

**Legal Debt Margin - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

See Following Page

VILLAGE OF JOHNSBURG, ILLINOIS

**Legal Debt Margin - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

	2007	2008	2009	2010
Assessed Valuation	\$ 227,558,323	246,807,165	260,394,714	257,913,317
Bonded Debt Limit 8.625% of Assessed Value	19,683,795	21,348,820	22,524,143	22,309,502
Amount of Debt Applicable to Limit	-	-	-	-
Legal Debt Margin	19,683,795	21,348,820	22,524,143	22,309,502
Percentage of Legal Debt Margin to Bonded Debt Limit	100.00%	100.00%	100.00%	100.00%

Data Source: Village Records

2011	2012	2013	2014	2015	2016
246,770,471	221,065,718	202,420,240	179,437,351	172,202,663	176,074,189
21,345,646	19,122,185	17,509,351	15,521,331	14,895,530	15,186,399
-	-	-	-	-	-
21,345,646	19,122,185	17,509,351	15,521,331	14,895,530	15,186,399
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

VILLAGE OF JOHNSBURG, ILLINOIS

**Demographic and Economic Statistics - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Fiscal Year	Population	Per Capita Personal Income	Personal Income	Unemployment Rate*
2007	N/A	\$ N/A	\$ N/A	4.3%
2008	N/A	N/A	N/A	5.8%
2009	N/A	N/A	N/A	9.8%
2010	6,337	80,102	507,606,374	10.5%
2011	6,332 **	78,094	494,491,208	9.9%
2012	6,324 **	78,963	499,362,012	9.0%
2013	6,296 **	79,917	503,157,432	8.7%
2014	6,290 **	86,797	545,953,130	6.6%
2015	6,310 **	N/A	N/A	5.3%
2016	N/A	N/A	N/A	4.8%

Data Source: Village Records and Illinois Department of Employment Security

* Data for Village of Johnsburg unavailable. Rates listed are McHenry County Annual Average. 2015 is as of July, 2016.

**Estimated

N/A - Not Available

VILLAGE OF JOHNSBURG, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2016 (Unaudited)**

Employer	2016			2007		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Centegra Hospital - McHenry	1,500	1	N/A	1,050	1	N/A
Follett School Solutions	1,000	2	N/A	1,000	2	N/A
Medela, Inc.	400	3	N/A	250	6	N/A
Pioneer Industries	350	4	N/A	350	4	N/A
Fabrik	313	5	N/A	250	5	N/A
Brake Parts, Inc.	300	6	N/A			
Metalmaster Roofmaster, Inc.	150	7	N/A			
Imagetec L.P.	125	8	N/A			
Century 21 Roberts & Andrews	120	9	N/A			
Chroma Corp	120	10	N/A			
	<u>4,378</u>		<u>N/A</u>	<u>2,900</u>		<u>N/A</u>

Data Sources: 2016 Illinois Manufacturers Directory and Illinois Business Services Directory for the nearby City of McHenry.

N/A - Not Available

All data available for 2007 has been provided.

VILLAGE OF JOHNSBURG, ILLINOIS

**Full-Time Equivalent Government Employees by Function/Program - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

See Following Page

VILLAGE OF JOHNSBURG, ILLINOIS

**Full-Time Equivalent Government Employees by Function/Program - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Function/Program	2007	2008	2009
General Government			
Administration	3.00	3.00	2.50
Finance	0.50	0.50	0.50
Community Development			
Building & Zoning	2.00	3.00	2.00
Police			
Officers	10.00	10.00	9.00
Civilians	1.00	1.00	1.00
Public Works			
Maintenance	3.00	4.00	3.00
Water/Sewer Services	0.50	0.50	0.50
Totals	20.00	22.00	18.50

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
2.50	2.50	2.50	2.50	3.00	3.00	3.00
0.50	0.50	0.50	0.50	0.50	0.50	1.00
2.00	1.00	1.00	1.00	1.00	1.00	-
8.00	8.00	8.00	10.00	10.00	10.00	10.00
1.00	1.00	1.00	1.00	1.00	1.00	2.00
2.00	3.00	3.00	3.00	3.00	3.00	4.00
0.50	0.50	0.50	0.50	0.50	0.50	0.50
16.50	16.50	16.50	18.50	19.00	19.00	20.50

VILLAGE OF JOHNSBURG, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Function/Program	2007	2008	2009
Police			
Arrests	279	150	92
Parking Violations	16	16	23
Traffic Violation	1,398	1,560	997
Public Works			
Street Resurfacing (Miles)	2.50	0.50	-
Water			
Average Daily Consumption (Thousands of Gallons)	N/A	N/A	N/A
Peak Daily Consumption (Thousands of Gallons)	N/A	N/A	N/A

Data Source: Village Records

N/A - Not Available

2010	2011	2012	2013	2014	2015	2016
193	138	151	169	195	274	68
13	1	16	40	22	7	3
1,419	739	587	1,402	1,303	564	279
1.20	0.20	2.30	-	4.50	-	2.00
N/A	N/A	N/A	N/A	N/A	N/A	100
N/A	N/A	N/A	N/A	N/A	N/A	165

VILLAGE OF JOHNSBURG, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Function/Program	2007	2008	2009
Police			
Stations	1	1	1
Patrol Units	4	4	4
Public Works			
Streets (Miles)	55	55	55
Parks and Recreation			
Acreage	279	279	279
Playgrounds	5	5	5
Sanitary Sewer			
Lift Stations	3	3	3

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
1	1	1	1	1	1	1
3	3	3	3	4	4	4
55	55	55	55	55	55	55
279	279	279	279	279	279	279
5	5	5	5	5	5	5
3	3	3	3	3	3	3