

Village of Bradley, Illinois

Annual Financial Report

April 30, 2015

VILLAGE OF BRADLEY, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

The Honorable President
Members of the Board of Trustees
Village of Bradley, 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 Bradley, Illinois, as of and for the year ended April 30, 2015, 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 from material misstatement.

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

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

Opinions

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

Emphasis of Matters

As disclosed in Note 1 to the financial statements, in 2015 the Village adopted the Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans – an Amendment of GASB Statement No. 25*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information for the General Fund and major Special Revenue funds, and pension information and other post-employment benefit plan on pages 4-12 and 63-77 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Bradley, Illinois' basic financial statements. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic

The Honorable President
Members of the Board of Trustees
Village of Bradley, Illinois
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financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

BKD, LLP

Oakbrook Terrace, Illinois
December 22, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2015**

As management of the Village of Bradley (Village), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2015. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Village's financial statements.

Financial Highlights

- The assets of the Village of Bradley exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$27,569,150 (net position). This is a decrease from FY 13-14's net position amount of \$28,139,508 due to several factors. The major reason for this decrease was a contribution from the General Fund to the newly created fiduciary fund for Retiree Health Insurance (OPEB). This contribution was \$2 million and was the first step in addressing the unfunded post-retirement liability that the Village has been carrying for several decades. The Village will make annual contributions from the General Fund to the OPEB Fund in order to fully fund this retirement liability. Also, the Village budgeted \$1 million in General Fund reserves to make building and facility improvements in FY 14-15; however, only about \$190,000 of those improvements were actually done.
- The Village of Bradley's total net position decreased by \$570,348. Of this decrease, \$20,679 is attributed to the Sewer Fund and (\$591,037) is attributed to Governmental Activities. Governmental Activities - aside from the \$2 million contribution for OPEB - decreased significantly from the prior fiscal year due to several position vacancies that were filled the prior year.
- As of the close of the current fiscal year, the Village of Bradley's General Fund reported a fund balance of \$7,614,357, a decrease of \$2,129,624 from the prior year. The major reason for this is the contribution to the OPEB Fund of \$2 million. Also, the Village used approximately \$189,533 of General Fund reserves to make building and facility improvements.
- The Village of Bradley's governmental activity debt (bond-related debt only) decreased by \$268,265 during the current fiscal year and Enterprise Fund debt decreased by \$214,242. The reduction in governmental activity debt came from the 2007 TIF Revenue Bonds and the Enterprise Fund debt decrease came from the 2006 GO Bonds in the Sewer Fund.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The statement of net position presents information on all of the Village's assets and deferred outflows of resources, as well as its liabilities and deferred inflows of resources, with the difference between them 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.

VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2015

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

The Governmental Activities reflect the Village's basic services, including administration, building standards, public works and public safety. Sales taxes, shared state taxes and property taxes finance the majority of these services. The Business-Type Activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operations, including depreciation.

Fund Financial Statements

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

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

The Village maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Revolving Loan Fund and the State Rt. 50 TIF Fund, each of which is considered to be a major fund. Information from the Village's other governmental funds is combined into a single column presentation. Individual fund information for these nonmajor governmental funds is provided elsewhere in the report.

The Village maintains one type of proprietary fund; this is called an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses an enterprise fund to account for its sanitary sewer operations. The proprietary fund financial statements provide separate information for the Sewer Fund, which is considered to be a major fund of the Village.

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

Notes to the Financial Statements

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

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2015**

Other Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2015	2014	2015	2014	2015
Assets:						
Current and Other	\$ 16,287,097	\$ 14,381,619	\$ 927,126	\$ 1,165,376	\$ 17,214,223	\$ 15,546,995
Capital and Noncurrent	23,243,965	22,530,956	7,071,352	6,643,766	30,315,317	29,174,722
Total Assets	<u>39,531,062</u>	<u>36,912,575</u>	<u>7,998,478</u>	<u>7,809,142</u>	<u>47,529,540</u>	<u>44,721,717</u>
Liabilities:						
Current Liabilities	1,573,834	1,479,237	399,905	465,280	1,973,739	1,944,517
Long-term Liabilities	9,784,859	7,801,511	5,113,397	4,837,457	14,898,256	12,638,968
Total Liabilities	<u>11,358,693</u>	<u>9,280,748</u>	<u>5,513,302</u>	<u>5,302,737</u>	<u>16,871,995</u>	<u>14,583,485</u>
Deferred Inflows:						
Deferred Real Estate						
Taxes	2,037,937	2,088,432	426,800	427,350	2,464,737	2,515,782
Deferred License						
Revenue	53,300	53,300			53,300	53,300
Total Deferred Inflows	<u>2,091,237</u>	<u>2,141,732</u>	<u>426,800</u>	<u>427,350</u>	<u>2,518,037</u>	<u>2,569,082</u>
Net Assets:						
Net Investment in Capital						
Assets	17,121,776	16,946,697	1,535,318	1,446,441	18,657,094	18,393,138
Restricted for						
Economic Development	1,422,756	10,279			1,422,756	10,279
Street Maintenance	521,989	564,085			521,989	564,085
Debt Service	2,730	2,730			2,730	2,730
Capital Projects	175,231	144,702			175,231	144,702
Infrastructure/Develop	133,363	133,363			133,363	133,363
Parks	363,391	200,473			363,391	200,473
Public Safety	62,273	74,405			62,273	74,405
Unrestricted	6,277,623	7,413,361	523,058	632,614	6,800,681	8,045,975
Total Net Position	<u>\$ 26,081,132</u>	<u>\$ 25,490,095</u>	<u>\$ 2,058,376</u>	<u>\$ 2,079,055</u>	<u>\$ 28,139,508</u>	<u>\$ 27,569,150</u>

The majority of the Village of Bradley's net position reflects its investment in capital assets (e.g. land, buildings, machinery & equipment and infrastructure), less any related outstanding debt used to acquire or construct those assets and accumulated depreciation which is the loss in value of those assets. The Village of

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2015**

Bradley uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The Village is reporting \$8,045,975 in unrestricted net position in the current year, which is an increase of \$1,245,294 from FY 2014. The Village of Bradley is reporting a positive balance of \$27,569,150 in net position in the current year, which is a decrease of \$570,358.

In FY 2015, the Village of Bradley's governmental activities capital assets, net of accumulated depreciation, decreased by \$576,595. Capital purchases were minimal in FY 2015, not so much due to a lack of need but more so to fiscal restraint. There were \$432,173 in additions with deletions of \$124,393 and an increase in accumulated depreciation of \$884,375. The majority of asset activity focused on the Village's vehicle fleet, particularly police squads. Other additions came in the form of large equipment and building and facility improvements. The Village had planned significantly more capital additions but opted to not spend the funds in order to better understand the needs of the various departments.

Statement of Activities

The following table reflects the condensed Statement of Activities:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2015	2014	2015	2014	2015
REVENUES						
Program Revenues:						
Charges for Services	\$ 1,474,491	\$ 1,321,720	\$ 1,867,598	\$ 1,815,446	\$ 3,342,089	\$ 3,137,166
Operating Grants/ Contributions	991,107	498,473			991,107	498,473
General Revenues:						
Property Taxes	2,926,575	3,087,529	284,744	425,493	3,211,319	3,513,022
Other Taxes	8,200,569	8,476,001			8,200,569	8,476,001
Other General Revenue	188,934	140,923	108,807	163,693	297,741	304,616
Total Revenues	<u>13,781,676</u>	<u>13,524,646</u>	<u>2,261,149</u>	<u>2,404,632</u>	<u>16,042,825</u>	<u>15,929,278</u>
EXPENSES						
General Government	3,919,323	2,801,360			3,919,323	2,801,360
Public Safety	6,265,295	5,554,012			6,265,295	5,554,012
Public Works	2,163,561	1,945,602			2,163,561	1,945,602
Public Property	263,582	316,326			263,582	316,326
Building Standards	501,926	576,255			501,926	576,255
Community Development	490,710	299,570			490,710	299,570
Interest on Debt	327,627	312,197			327,627	312,197
Employee Benefits	27,047	2,310,361			27,047	2,310,361
Sewer			2,057,288	2,383,953	2,057,288	2,383,953
Total Expenses	<u>13,959,071</u>	<u>14,115,683</u>	<u>2,057,288</u>	<u>2,383,953</u>	<u>16,016,359</u>	<u>16,499,636</u>
Change in Net Position	<u>\$ (177,395)</u>	<u>\$ (591,037)</u>	<u>\$ 203,861</u>	<u>\$ 20,679</u>	<u>\$ 26,466</u>	<u>\$ (570,358)</u>

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2015**

Key Factors in the Change in Net Position in the Governmental Activities were:

The reason why net position decreased in FY 14-15 by \$591,037 was due primarily to the contribution from the General Fund to the OPEB Fund. This is reflected in the Employee Benefits expense of \$2,310,361 in FY 14-15 compared to the amount of \$27,047 from the prior year. However, looking at the remaining cost centers for the Governmental Activities, all were lower in FY 14-15 compared to the prior year with the exception of Building Standards and Public Property, each of which increased minimally. Position vacancies were the main reason why costs were lower in these areas in FY 2015.

Key Factors in the Change in Net Position in Business-Type Activities:

The total change in net position for the Business-Type Activities is \$20,679. The Sewer Fund realized an increase in its net position due to the increased amount of property tax revenues received in FY 2015. Program revenues were lower in FY 2015 than the prior year by \$52,152 with annual expenses increasing by \$324,849. Continued discussions on the future financial stability of the Sewer Fund continued in FY 2015 with the Village Board requesting a sewer rate study be conducted to determine if sewer rates, as they stand currently, are sufficient to provide for the needs of the Fund. Results of this study will be known in FY 2016.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

The General Fund is the chief operating fund of the Village of Bradley. At the end of the 14-15 fiscal year, the unassigned fund balance of the General Fund was \$6,983,504, while the total fund balance decreased to \$7,614,357. This was a decrease of \$2,129,624 from FY 13-14. The major reason for this is the contribution to the OPEB Fund of \$2 million. Also, the Village used \$189,533 of General Fund reserves to make building and facility improvements.

The Revolving Loan Fund had no expenditures, recouped bad debts of \$3,673, and received \$11,058 in interest on the economic development loans the Village administers as part of a program through the State of Illinois Department of Commerce and Economic Opportunity. This loan program is funded by monies from the State of Illinois and from the interest proceeds received from loans. The fund balance in the Revolving Loan Fund increased by \$14,731 in FY 14-15 to \$1,930,168.

The State Rte. 50 TIF Fund accounts for the tax increment financing (TIF) district established along the Rte. 50 corridor to provide improvements to spur economic growth. In total, revenues for the fiscal year were \$1,024,789 and expenditures totaled \$885,310, leaving it with a year-end fund balance of \$1,553,801, an increase of \$139,479 from the prior year.

The nonmajor governmental funds saw an overall increase in their reserves in FY 14-15 of \$25,544. The Debt Service Fund's fund balance was \$2,730 at the end of FY 14-15, unchanged from the prior fiscal year as there is no outstanding G.O. debt for the Village. The Larry Power TIF Fund finished the year with a fund balance of \$10,279, an increase of \$1,845 from the year before. The Police Seizure Fund, which accounts for special contributions for the Police Department's K-9 unit and drug seizure monies that must be spent on specific purposes, ended the fiscal year with a fund balance of \$24,238. The Foreign Fire Insurance Tax Fund, which accounts for revenues received from insurance companies headquartered outside of Illinois but collecting premiums on property in Illinois, saw its fund balance increase \$10,483 to \$50,167. Finally, the Capital Projects Fund saw several areas of activity. First, work concluded at Lil's Park to improve the facilities and play areas. Second, the street and alley program addressed areas of the Village that needed significant

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MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2015**

improvements in either curbs, sidewalks or alleys. This is an ongoing project each fiscal year that is funded by the operational surplus in the General Fund from the prior fiscal year. Finally, the 50/50 sidewalk improvement and infrastructure improvement programs are now accounted for in the Capital Projects Fund because video gaming tax revenues fund these programs. In FY 14-15, the Capital Projects Fund fund balance decreased \$31,629, from \$175,231 to \$143,602. Lastly, a new fund, Cell Tower, accounts for the lease revenues realized from cell towers placed on Village property. These monies are held in a separate fund pending a decision by the Board on the best use(s) of these funds. \$1,100 in revenue was recognized in FY 14-15, leaving the fund with a fund balance of the same amount.

Proprietary Funds

The Sewer Fund had \$632,614 in unrestricted net position, up from \$523,058 in FY 13-14, and \$2,079,055 in total net position at the end of the 14-15 fiscal year. The Sewer Fund operating revenues were down by \$52,152, or a decrease of 2.79% from FY 13-14. The reason for this decrease was in FY 13-14, there was a concentrated effort to collect delinquent accounts that were outstanding for several years. Operating expenses increased by \$326,665 as compared to the prior fiscal year, and the change in net position for the current year was \$20,679, a decrease in the change in net position of \$203,861 from the prior year. The Sewer Fund's financial performance continues to be a major concern for the Village. A comprehensive rate study is being completed in FY 15-16 that will address a course of action for long-term financial stability in the fund. Also, the 2006 Sewer bonds are being refunded in FY 15-16, presenting savings for future fiscal years.

GENERAL FUND BUDGETARY HIGHLIGHTS

The following table reflects the condensed Budgetary Comparison Schedule:

	Original Budget	Final Budget	Actual
Revenues:			
Taxes	\$ 10,728,578	\$ 10,728,578	\$ 10,427,175
Licenses and Permits	217,900	217,900	257,418
Intergovernmental			16,435
Charges for Services	428,590	428,590	402,873
Fines and Forfeits	420,850	420,850	340,549
Investment Income	100,150	100,150	42,865
Other	547,700	572,924	378,916
Total Revenues	12,443,768	12,468,992	11,866,231
Expenditures:			
General Government	3,004,198	3,065,626	2,845,562
Public Safety	6,692,487	6,663,408	6,230,441
Public Works	1,596,606	1,596,606	1,556,599
Public Property	887,750	887,750	316,326
Building Standards	690,675	690,675	576,255
Employee Benefits	2,315,000	2,315,000	2,310,361
Total Expenditures	15,186,716	15,219,065	13,835,544
Excess (Deficiency) of Revenues over Expenditures	\$ (2,742,948)	\$ (2,750,073)	\$ (1,969,313)

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2015**

The General Fund revenues were \$602,761 under budget in FY 14-15. All revenues categories came in under budget for FY 14-15 with the exception of Property Taxes, Licenses and Permits and Intergovernmental. State Shared Taxes - Sales, Local Use, PPRT, Auto Rent and Income Tax revenues - came in a total of \$325,692 lower than budget. This was from Sales Tax receipts coming in lower than expected for a second straight year due to another harsh winter. Charges for Services came in under budget by \$25,717, due to lower than expected ambulance revenues. Fines and Forfeits were \$80,301 under budget due to adjudication court receipts, particularly cannabis fines, coming in considerably lower than planned. Investment Income remains low due to historically low interest rates and declining market values on fixed income investments. Finally, other income was lower than budget due to a prior period adjustment for the handling of escrow balances.

The General Fund expenditures were \$1,383,521 under budget in FY 14-15. Public Property was the area most significantly under budget due to the Village Hall HVAC system not being done. The HVAC project was budgeted at \$475,000 and, altogether, Public Property was under budget by \$571,424. Public Safety was the next area significantly under budget, coming in \$432,967 under budget. The largest reason for this savings was the Village Hall generator project, budgeted at \$250,000, was not done. The remaining savings came from position vacancies throughout the fiscal year. General Government was under budget by \$220,064. This savings was attributed to a position vacancy, smaller than budgeted raises given to non-union personnel and professional service fees that either were not incurred (HR Services, PR Services, Fixed Asset Inventory and Marketing for the 6000 Interchange) or came in much lower than budgeted (Engineering Fees). Building Standards came in \$114,420 under budget due to two position vacancies. All other areas in the General Fund ran very close to budget.

Budget amendments were made to the original FY 14-15 budget ordinance to reflect unexpected activity for the Village.

CAPITAL ASSET AND DEBT ADMINISTRATION

**Governmental Activities
Change in Capital Assets**

	Balance May 1, 2014	Net Additions/ Deletions	Balance April 30, 2015
Non-Depreciable Assets:			
Land	\$ 6,494,488	\$	\$ 6,494,488
Other Capital Assets:			
Building	6,759,139	189,533	6,948,672
Equipment	7,326,239	76,821	7,403,060
Infrastructure	15,015,022	41,426	15,056,448
Accumulated Depreciation on Capital Assets	(12,704,508)	(884,375)	(13,588,883)
Total	<u>\$ 22,890,380</u>	<u>\$ (576,595)</u>	<u>\$ 22,313,785</u>

The Village of Bradley's investment in capital assets for its governmental activities as of April 30, 2015, was \$22,313,785 (net of accumulated depreciation). This investment in capital assets includes property and improvements, equipment, facilities and infrastructure.

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2015**

The majority of asset additions came from vehicles purchased and facilities/infrastructure improvements. The Police Department added three new squads and an SUV for a total of \$96,511 and Public Works added a skid steer, brush chipper and zero-turn mower for \$104,702. The upgrades to the Police Department's range were completed for \$26,615. Lil's Park improvements and the Route 50 bike path were \$162,918 and \$41,426, respectively, for a total of \$204,344. The Village's asset disposals all were for fully depreciated vehicles: three squad cars and an administration vehicle from the Police Department and a 1997 Ford Explorer from Public Works.

The Village of Bradley has one large future construction commitment past FY 14-15 that impacts the budgeting process or financial activity of the Capital Improvement Fund. This is the extension of Industrial Drive for a projected cost of \$2.2 million in today's dollars and is scheduled to start in FY 15-16 if all contingent planning processes are completed.

**Business-Type Activities
Change in Capital Assets**

	Balance May 1, 2014	Net Additions/ Deletions	Balance April 30, 2015
Other Capital Assets:			
Property, Plant and Equipment	\$ 12,935,421	\$ 34,414	\$ 12,969,835
Accumulated Depreciation on Capital Assets	(6,085,214)	(389,163)	(6,474,377)
Total	\$ 6,850,207	\$ (354,749)	\$ 6,495,458

The Village of Bradley's investment in capital assets for its business-type activities as of April 30, 2015, was \$6,495,458 (net of accumulated depreciation). This investment in capital assets includes property, plant and equipment which included vehicles and infrastructure (e.g. sanitary sewer lines). The Sewer Fund added a 2015 Ford F350 truck totaling \$34,414. There were no asset deletions in the Sewer Fund in FY 14-15.

The Village of Bradley has no large future construction commitments past FY 14-15 that impacts the budgeting process or financial activity of the Sewer Fund.

Additional information on the Village of Bradley's capital assets can be found in Note 6.

Debt Administration

In FY 05-06, Standard & Poor's assigned the Village of Bradley's bond rating to an insured rating of AAA, the highest rating that can be granted, with an underlying rating of A. The Village has maintained this rating ever since. Debt levels are kept to absolute minimums as the Village maintains a very conservative approach to debt, budgeting and the treatment of public funds.

State statutes limit the amount of general obligation debt a government entity may issue to 8.625% of its total assessed valuation. The current legal debt margin for the Village of Bradley is \$21,987,532. Currently, the Village has no outstanding general obligation debt. However, the Sewer bonds issued in 2006 are considered general obligations of the Village even though the primary source pledged to pay that debt is Sewer Fund revenues.

**VILLAGE OF BRADLEY, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2015**

Additional information on the Village of Bradley's long-term liabilities can be found in Note 7.

ECONOMIC FACTORS

The Village of Bradley is located approximately 50 miles south of downtown Chicago. Based upon the 2010 EAV, 100% is located in Kankakee County.

As of April 2015, the unemployment rate for the Village of Bradley is approximately 5.8%, which is an improvement from April, 2014 when the rate was 8.7%. The April 2015 rate of 5.8% compares favorably to the Illinois State unemployment rate of 6.0% and unfavorably to the National rate of 5.4%.

According to the 2010 American Community Survey conducted by the U.S. Census Bureau, the Village of Bradley had a median family income of \$49,222. This compares to Kankakee County's \$50,484 and \$55,735 for the State of Illinois. According to the 2010 American Community Survey conducted by the U.S. Census Bureau, the Village of Bradley's median value of owner-occupied home was \$141,200. This compares to Kankakee County's median value of \$148,400 and that of the State of Illinois at \$202,500.

As part of the budget process each year, the Village of Bradley analyzes the fees it charges to its residents, developers and contractors doing business in the Village. This is accomplished by surveying surrounding towns as well as other municipalities that have similar demographics compared to Bradley. There were no fee increases put into place for FY 14-15.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning this report or requests for additional financial information should be directed to the Finance Director, Village of Bradley, 147 S. Michigan Ave., Bradley, Illinois 60915.

BASIC FINANCIAL STATEMENTS

VILLAGE OF BRADLEY, ILLINOIS

Statement of Net Position
April 30, 2015

	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash and Deposits	\$ 4,508,528	523,932	5,032,460
Investments	4,655,098		4,655,098
Receivables, Net Allowance			
Accounts Receivable	253,864	204,080	457,944
Property Tax	2,088,432	427,350	2,515,782
Due from Other Governments	2,343,201		2,343,201
Loans	213,826		213,826
Accrued Interest	324		324
Other	2,390		2,390
Prepaid Expense	303,832	10,014	313,846
Inventory (Fuel)	10,499		10,499
Due from Fiduciary Funds	1,625		1,625
Total Current Assets	14,381,619	1,165,376	15,546,995
Noncurrent Assets			
Loans Receivable	217,171		217,171
Due from Joint Venture		148,308	148,308
Non-depreciable Capital Assets	6,494,488		6,494,488
Capital Assets, Depreciable	29,408,180	12,969,835	42,378,015
Accumulated Depreciation	(13,588,883)	(6,474,377)	(20,063,260)
Total Non-current Assets	22,530,956	6,643,766	29,174,722
Total Assets	36,912,575	7,809,142	44,721,717
Liabilities			
Current Liabilities			
Accounts Payable	264,451	67,515	331,966
Interest Payable	103,914	89,792	193,706
Other Payables	298,080	14,413	312,493
Current Portion of Long-Term Debt	812,792	293,560	1,106,352
Total Current Liabilities	1,479,237	465,280	1,944,517
Non-current Liabilities	7,801,511	4,837,457	12,638,968
Total Liabilities	9,280,748	5,302,737	14,583,485
Deferred Inflows of Resources			
Deferred Property Taxes	2,088,432	427,350	2,515,782
Deferred License Revenue	53,300		53,300
Total Deferred Inflows of Resources	2,141,732	427,350	2,569,082
Net Position			
Net Investment in Capital Assets	16,946,697	1,446,441	18,393,138
Restricted for			
Economic Development	10,279		10,279
Street Maintenance	564,085		564,085
Debt Service	2,730		2,730
Capital Projects	144,702		144,702
Infrastructure/Development	133,363		133,363
Parks	200,473		200,473
Public Safety	74,405		74,405
Unrestricted	7,413,361	632,614	8,045,975
Total Net Position	\$ 25,490,095	2,079,055	27,569,150

See Notes to Financial Statements

VILLAGE OF BRADLEY, ILLINOIS

Statement of Activities
For the Year Ended April 30, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$ 2,801,360	342,075		
Public Safety	5,554,012	799,497	498,473	
Public Works	1,945,602	1,000		
Public Property	316,326	15,551		
Building Standards	576,255	163,597		
Community Development	299,570			
Employee Benefits	2,310,361			
Interest on Long-Term Debt	312,197			
Total Governmental Activities	14,115,683	1,321,720	498,473	-
Business-type Activities				
Sewer	2,383,953	1,815,446		
Total Primary Government	\$ 16,499,636	3,137,166	498,473	-

General Revenues
 Property Taxes
 State Shared Taxes
 Sales
 Income
 Other
 Investment Earnings
 Miscellaneous
 Gain on Sale of Capital Assets
 Total General Revenues

Change in Net Position

Net Position - Beginning

Net Position - Ending

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total
(2,459,285)		(2,459,285)
(4,256,042)		(4,256,042)
(1,944,602)		(1,944,602)
(300,775)		(300,775)
(412,658)		(412,658)
(299,570)		(299,570)
(2,310,361)		(2,310,361)
(312,197)		(312,197)
(12,295,490)	-	(12,295,490)
	(568,507)	(568,507)
(12,295,490)	(568,507)	(12,863,997)
3,087,529	425,493	3,513,022
6,289,270		6,289,270
1,630,195		1,630,195
556,536		556,536
55,620	612	56,232
79,103	163,081	242,184
6,200		6,200
11,704,453	589,186	12,293,639
(591,037)	20,679	(570,358)
26,081,132	2,058,376	28,139,508
25,490,095	2,079,055	27,569,150

VILLAGE OF BRADLEY, ILLINOIS

Governmental Funds

Balance Sheet
April 30, 2015

	General	Revolving Loan	State Rte. 50 TIF Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and Deposits	\$ 2,016,238	1,499,171	755,068	238,051	4,508,528
Investments	3,346,563		798,733	509,802	4,655,098
Receivables					
Property Taxes	2,088,432				2,088,432
State Taxes	2,297,146			46,055	2,343,201
Loans		430,997			430,997
Accounts	253,864				253,864
Accrued Interest	324				324
Other	2,390				2,390
Inventory (Fuel)	10,499				10,499
Prepaid Item	286,518			17,314	303,832
Due from Other Funds				182	182
Due from Fiduciary Funds	1,625				1,625
Total Assets	\$ 10,303,599	1,930,168	1,553,801	811,404	14,598,972
Liabilities					
Accounts Payable	\$ 249,248			15,203	264,451
Other Payables	298,080				298,080
Due to Other Funds	182				182
Total Liabilities	547,510	-	-	15,203	562,713
Deferred Inflows of Resources					
Unavailable Property Taxes	2,088,432				2,088,432
Unavailable License Revenue	53,300				53,300
Total Deferred Inflows of Resources	2,141,732	-	-	-	2,141,732
Fund Balances					
Nonspendable					
Inventory	10,499				10,499
Prepaid Item	286,518				286,518
Loans		217,171			217,171
Restricted for					
Economic Development				10,279	10,279
Street Maintenance				564,085	564,085
Debt Service				2,730	2,730
Capital Projects				144,702	144,702
Infrastructure/Development	133,363				133,363
Parks	200,473				200,473
Public Safety				74,405	74,405
Committed for					
Economic Development		1,712,997	1,553,801		3,266,798
Unassigned	6,983,504				6,983,504
Total Fund Balances	7,614,357	1,930,168	1,553,801	796,201	11,894,527
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 10,303,599	1,930,168	1,553,801	811,404	14,545,672

See Notes to Financial Statements

VILLAGE OF BRADLEY, ILLINOIS

Reconciliation of Balance Sheet - Governmental Funds
to Statement of Net Position

April 30, 2015

Total Fund Balances - Governmental Funds \$ 11,894,527

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. 22,313,785

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds Payable	(5,132,556)
Capital Leases Payable	(200,311)
Notes Payable	(34,221)
Police and Fire Net Pension Obligation	(723,807)
IMRF Net Pension Obligation	(65,634)
OPEB Obligation	(871,394)

Interest on long-term liabilities is shown as an expenditure when paid by the funds, but accrued in the Statement of Net Position. (103,914)

Accrued compensated absences are reported in the Statement of Net Position, but are not included in the fund financial statements. (1,586,380)

Net Position of Governmental Activities \$ 25,490,095

VILLAGE OF BRADLEY, ILLINOIS

Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended April 30, 2015

	General	Revolving Loan	State Rte. 50 TIF Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes					
Property	\$ 2,062,226		1,023,473	1,830	3,087,529
State Shared	8,364,949			502,940	8,867,889
Licenses and Permits	257,418				257,418
Intergovernmental	16,435			79,350	95,785
Charges for Services	402,873				402,873
Fines and Forfeitures	340,549			15,320	355,869
Investment Income	42,865	11,058	1,316	425	55,664
Rent				1,100	1,100
Recovery of Bad Debts		3,673			3,673
Miscellaneous	378,916			11,730	390,646
Total Revenues	11,866,231	14,731	1,024,789	612,695	13,518,446
Expenditures					
Current					
General Government	2,845,562				2,845,562
Public Safety	6,230,441			31,275	6,261,716
Public Works	1,556,599			429,229	1,985,828
Public Property	316,326				316,326
Building Standards	576,255				576,255
Community Development			299,570		299,570
Employee Benefits	2,310,361				2,310,361
Debt Service					
Principal			260,000		260,000
Interest			325,740		325,740
Capital Outlay				293,158	293,158
Total Expenditures	13,835,544	-	885,310	753,662	15,474,516
Excess (Deficiency) of Revenues over Expenditures	(1,969,313)	14,731	139,479	(140,967)	(1,956,070)
Other Financing Sources (Uses)					
Transfers In				166,511	166,511
Transfers Out	(166,511)				(166,511)
Proceeds from Sale of Capital Assets	6,200				6,200
Total Other Financing Sources (Uses)	(160,311)	-	-	166,511	6,200
Net Change in Fund Balances	(2,129,624)	14,731	139,479	25,544	(1,949,870)
Fund Balances - Beginning	9,743,981	1,915,437	1,414,322	770,657	13,844,397
Fund Balances - Ending	\$ 7,614,357	1,930,168	1,553,801	796,201	11,894,527

See Notes to Financial Statements

VILLAGE OF BRADLEY, ILLINOIS

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

For the Year Ended April 30, 2015

Net Change in Fund Balances - Total Governmental Funds \$ (1,949,870)

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

Governmental funds report capital outlays as expenditures; however,
they are capitalized and depreciated in the Statement of Activities. 432,173

Depreciation in the Statement of Activities does not require the use of
current financial resources and, therefore, is not reported as an
expenditure in governmental funds. (1,008,768)

The repayment of long-term debt is reported as an expenditure when due in
governmental funds but as a reduction of principal outstanding in the
Statement of Activities.

General Obligation Bonds	260,000
Bond Premium Amortization	8,265
Loans Payable	16,131
Capital Lease Payable	117,120

Some expenses reported in the Statement of Activities do not require the
use of current financial resources and, therefore, are not reported as
expenditures in governmental funds.

Increase in Police and Fire Net Pension Obligations	(49,102)
Increase in IMRF Net Pension Obligation	(4,579)
Decrease in Other Post-Employment Benefits Obligation	1,703,367
Increase in Compensated Absences	(121,052)
Decrease in Accrued Interest	5,278

Change in Net Position of Governmental Activities \$ (591,037)

VILLAGE OF BRADLEY, ILLINOIS

Proprietary Fund - Sewer Fund

Statement of Net Position
April 30, 2015

ASSETS

Current Assets

Cash and Deposits	\$ 523,932
Receivables (Net of Allowance for Uncollectibles)	
Accounts	204,080
Property Taxes	427,350
Prepaid Expenses	10,014
Total Current Assets	<u>1,165,376</u>

Capital Assets

Buildings and Equipment	12,969,835
Less Accumulated Depreciation	<u>(6,474,377)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>6,495,458</u>

Noncurrent Assets

Due from Joint Venture	<u>148,308</u>
Total Assets	<u>7,809,142</u>

LIABILITIES

Current Liabilities

Accounts Payable	67,515
Interest Payable	89,792
Lease Payable	53,060
Compensated Absences	20,500
Current Portion - Bonds Payable	220,000
Other Payables	14,413
Total Current Liabilities	<u>465,280</u>

Noncurrent Liabilities

Lease Payable	110,554
Compensated Absences	61,500
Bonds Payable	4,665,403
Total Liabilities	<u>4,837,457</u>

Total Liabilities	<u>5,302,737</u>
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DEFERRED INFLOWS OF RESOURCES

Deferred Property Taxes	<u>427,350</u>
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NET POSITION

Net Investment in Capital Assets	1,446,441
Unrestricted	<u>632,614</u>
Total Net Position	<u>\$ 2,079,055</u>

See Notes to Financial Statements

VILLAGE OF BRADLEY, ILLINOIS

Proprietary Fund - Sewer Fund

Statement of Revenues, Expenses, and Change in Net Position
For the Year Ended April 30, 2015

Operating Revenues	
User Charges	<u>\$ 1,815,446</u>
Operating Expenses	
Salaries and Wages	312,421
Employee Benefits	130,142
Professional Fees	41,463
Materials, Repairs and Maintenance	76,229
Utilities	13,940
Depreciation	389,163
Sewer Fees	1,081,161
Other Operating Expenses	<u>125,928</u>
Total Operating Expenses	<u>2,170,447</u>
Operating Income	<u>(355,001)</u>
Nonoperating Revenues (Expenses):	
Investment Income	612
Property Taxes	425,493
Tap-On Fees	41,600
Lien Shut-off Fee	2,098
Interest Expense	(213,506)
Other Income	<u>119,383</u>
Total Nonoperating Revenues (Expenses)	<u>375,680</u>
Change in Net Position	20,679
Net Position	
Beginning	<u>2,058,376</u>
Ending	<u><u>\$ 2,079,055</u></u>

See Notes to Financial Statements

VILLAGE OF BRADLEY, ILLINOIS

Proprietary Fund - Sewer Fund

Statement of Cash Flows
For the Year Ended April 30, 2015

Cash Flows from Operating Activities	
Receipts from Customers	\$ 1,897,714
Other Receipts	121,481
Payments to Suppliers	(1,423,588)
Payments to Employees	(307,393)
	<u>288,214</u>
Cash Flows from Noncapital Financing Activities	
Property Taxes	<u>425,493</u>
Cash Flows from Capital and Related Financing Activities	
Tap-On Fees	41,600
Payment of Bond Principal	(210,000)
Payment of Capital Leases	(51,630)
Interest Paid	(222,758)
Purchase of Capital Assets	(34,414)
	<u>(477,202)</u>
Cash Flows from Investing Activities	
Interest and Dividends	<u>612</u>
Net Increase in Cash and Deposits	237,117
Cash and Deposits, Beginning	<u>286,815</u>
Cash and Deposits, Ending	<u>\$ 523,932</u>
Reconciliation of Operating Loss to Net Cash	
Provided by Operating Activities	
Operating Loss	\$ (355,001)
Adjustments to Reconcile Operating Loss to	
Net Cash Provided by Operating Activities	
Depreciation Expense	389,163
Other Receipts	121,481
Change in Assets and Liabilities	
Increase in Receivables, Net	81,718
Increase in Prepaid Expenses	(10,014)
Decrease in Accounts and Other Payables	58,501
Increase in Deferred Revenue	550
	<u>550</u>
Net Cash Provided by Operating Activities	<u>\$ 288,214</u>

See Notes to Financial Statements

VILLAGE OF BRADLEY, ILLINOIS

Pension and Other Post-Employment Benefits Trust Funds

Statement of Fiduciary Net Position

April 30, 2015

Assets

Cash and Deposits	\$ 3,367,664
Investments, at Fair Value	
Money Market Mutual Fund	26,502
Corporate Bonds	687,815
U.S. Government and Agency Obligations	4,069,162
Municipal Bonds	88,244
Equity Securities	3,919,581
Mutual Funds	4,992,050
Receivables	
Accrued Interest	4,208
Prepaid Expenses	<u>2,544</u>
 Total Assets	 <u>17,157,770</u>

Liabilities

Accounts Payable	2,023
Due to Village	<u>1,625</u>
 Total Liabilities	 <u>3,648</u>

Net Position Restricted for Pensions
and Other Post-Employment Benefits

\$ 17,154,122

VILLAGE OF BRADLEY, ILLINOIS

Pension and Other Post-Employment Benefits Trust Funds

Statement of Change in Fiduciary Net Position
For the Year Ended April 30, 2015

Additions	
Contributions	
Village Contributions	\$ 3,220,585
Police and Fire Employee Contributions	276,533
Total Contributions	<u>3,497,118</u>
Investment Income	
Interest Income	166,664
Net Appreciation in	
Fair Value of Investments	719,997
Total Investment Income	<u>886,661</u>
Less Investment Expense	<u>(109,282)</u>
Net Investment Income	<u>777,379</u>
Total Additions	<u>4,274,497</u>
Deductions	
Administration	25,504
Benefits and Refunds	<u>953,279</u>
Total Deductions	<u>978,783</u>
Net Increase in Net Position	3,295,714
Net Position Restricted for Pensions and Other Post-Employment Benefits	
May 1	<u>13,858,408</u>
April 30	<u>\$ 17,154,122</u>

See Notes to Financial Statements

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

1. Summary of Significant Accounting Policies

The accounting policies of the Village of Bradley, Illinois (Village), as reflected in the accompanying financial statements for the year ended April 30, 2015, conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies:

A. Financial Reporting Entity

The Village is a municipal corporation governed by an elected board. As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of its operational or financial relationship with the primary government.

Blended within the reporting entity are:

Police and Firefighters' Pension Employees Retirement Systems – The Village's police and firefighter employees participate in the Police Pension Employees Retirement System (PPERS) and the Firefighters' Pension Employees Retirement System (FPERS). PPERS functions for the benefit of employees and is governed by a five-member pension Board. Two members are appointed by the Mayor, two are elected from the active members and one from the retired members. FPERS is governed by a nine-member Board. The following comprise the FPERS Board: the Mayor, Village Clerk, Village Attorney, Fire Chief, Village Treasurer and four elected officers (three active members and one retired member). The Village, PPERS and FPERS are obligated to fund all PPERS and FPERS 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.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and Statement of Activities) report information on all of the nonfiduciary activities of the Village. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported, instead, as general revenues.

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

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)

C. Fund Accounting

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

Funds are classified into three broad categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

The Village has the following fund types:

Governmental Funds are used to account for the Village's general governmental activities. There are four of these types and they use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

The *General Fund* is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Funds account for the collection and disbursement of earmarked monies.

Debt Service Funds account for the servicing of general long-term debt not financed by proprietary funds.

Capital Projects Funds account for the acquisition of capital assets or construction of major capital projects not financed by proprietary funds.

Proprietary Funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities are provided to outside parties by the enterprise fund.

The *Enterprise Fund* (Sewer Fund) is used to account for those operations that are financed and operated in a manner similar to private business or where the Village Board has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability.

Fiduciary Funds account for assets held by the government in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the government under the terms of a formal trust agreement.

Pension Trust Funds are accounted for in essentially the same manner as the proprietary fund, using the same measurement focus and the accrual basis of accounting. The pension trust funds account for the assets and activity of the Village's Police Pension Trust Fund and Firefighters' Pension Trust Fund.

The *Other Post-Employment Benefits (OPEB) Fund* is also accounted for in essentially the same manner as the proprietary fund and accounts for the assets and activity of the post-employment health care benefits for retired employees.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers property taxes as available if they are collected within 60 days of the end of the current fiscal period. A 90 day availability period is used for revenue recognition for all other governmental fund revenues. Due to delays from the State of Illinois in distributing income tax receipts to local municipalities, the 90 day availability period has been extended in order to report twelve months of revenue. Expenditures generally are recorded when a liability is incurred, as under accrual accounting; however, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments are recorded when payment is due.

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

The Village reports the following major governmental funds:

The *General Fund* is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Revolving Loan Fund* is used to account for financial resources to be used specifically for providing low interest rate loans to businesses within the Village.

The *State Rte. 50 TIF Fund* is used to account for the financial resources to be used specifically for Rte. 50 development.

The Village reports the following major and only enterprise fund:

The *Sewer Fund* accounts for the provision of sewer services, repair, and improvement services to the residents of the Village of Bradley. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Additionally, the Village reports the following fiduciary funds:

The *Police Pension Trust Fund* accounts for the accumulation of resources to pay pension costs. Resources are contributed by police force members at rates fixed by State statutes and by the Village through an annual property tax levy.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont.)

The *Firefighters' Pension Trust Fund* accounts for the accumulation of resources to pay pension costs. Resources are contributed by fire personnel members at rates fixed by State statutes and by the Village through an annual property tax levy.

The *Other Post-Employment Benefits (OPEB) Fund* accounts for the accumulation of resources to pay post-employment health care costs. The Village pays 80% of the plan premiums and those who qualify for the health care benefit pay the other 20%.

Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided and operating grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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 enterprise fund are charged to customers for sales and services. Operating expenses for the enterprise fund 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.

The Village reports deferred inflows of resources on its Statement of Net Position. Deferred inflows of resources arise when resources are received by the Village that represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. In subsequent periods, when the Village has a legal claim to the resources, the deferred inflows of resources is removed from the Statement of Net Position and revenue is recognized.

E. Budgets

Budgets are adopted on a basis consistent with GAAP. An annual appropriated budget is adopted (at the fund level) for the General Fund. The annual appropriated budget is legally enacted and provides for a legal level of control at the department level. All annual appropriations lapse at fiscal year end.

F. Cash Equivalents

For purposes of the Statement of Cash Flows, all highly liquid investments with maturities of three months or less at the date purchase are considered cash equivalents.

G. Investments

Investments with a maturity of one year or less are stated at cost plus or minus amortized discount or premium (which approximates market). Investments with a maturity greater than one year are stated at fair value.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)

H. Receivables

The recognition of receivables associated with nonexchange transactions is as follows:

- Derived tax receivables (such as sales, income and motor fuel taxes) are recognized when the underlying exchange has occurred.
- Imposed nonexchange receivables (such as property taxes and fines) are recognized when an enforceable legal claim has arisen.
- Government mandates or voluntary nonexchange transaction receivables (such as mandates or grants) are recognized when all legal requirements have been met.

I. Inventory

Inventories are valued at cost, which approximates market, using the first-in first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

J. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses, consistent with the consumption method of accounting.

K. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks, bridges and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined as having a useful life greater than one year with an initial, individual cost of more than \$10,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	20 - 50 years
Equipment	5 - 10 years
Infrastructure	20 - 50 years

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)

L. Compensated Absences

Vested or accumulated vacation leave is accrued when incurred in the government-wide and proprietary fund financial statements, as the Village expects employees to use their vacation within one fiscal year; however, they may carry over their days from year to year. Vested or accumulated vacation leave of proprietary funds and government-wide statements is recorded as an expense and liability of those funds as the benefits accrue to employees. Vacation leave is only recorded in the governmental fund financial statements when an employee leaves before year end and has not been paid out. No liability is recorded for nonvesting, accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as “terminal leave” prior to retirement.

M. Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed to the appropriate function in the year 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, whether or not withheld from the actual debt proceeds received, issuance costs are reported as debt service expenditures.

N. Fund Equity

There are five classifications of fund balance:

- (1) Nonspendable – amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- (2) Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government) through constitutional provisions or by enabling legislation.
- (3) Committed – amounts constrained to specific purpose by a government itself, using its highest level of decision-making authority. The Village Board is the highest level of decision-making authority for the Village that can, by adoption of ordinance prior to the end of the year, commit fund balance. Once adopted, the limitation remains in place until a similar action is taken (adoption of another ordinance) to remove or revise the limitation.
- (4) Assigned – amounts the Village intends to use for specific purposes as determined by the Village Board. It is assumed that creation of a fund automatically assigns fund balance.
- (5) Unassigned – amounts that are available for any purpose. These amounts are only reported in the General Fund.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

1. Summary of Significant Accounting Policies (Cont.)

N. Fund Equity (Cont.)

Net position/fund balance is displayed in the order of the relative strength of the spending constraints placed on the purposes for which resources can be used.

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

O. Interfund Transactions

The Village has the following types of transactions between funds:

Loans are amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings, and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide Statement of Net Position, except for amounts between similar activities, which have been eliminated.

Transfers are flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after non-operating revenues and expenses.

P. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Q. Implementation of New Accounting Standard

In 2015, the Police and Firefighters' Pension Plans adopted the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans - an Amendment of GASB Statement No. 25*, which has as its objective improving the usefulness of pension information included in the general purpose external financial reports of state and local governmental pension plans for making decisions and assessing accountability. Adoption of GASB No. 67 had no effect on net position restricted for pensions or on net increase (decrease) in net position. It did, however, change the requirements for information disclosed in the footnotes to the financial statements and information required to be presented as required supplementary information.

2. Fund Equity

There were no funds that had a deficit in fund balance as of April 30, 2015.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

3. Deposits and Investments

The Village's investment policy is to establish cash management and investment guidelines for the Village officials responsible for the stewardship of public funds. The Village has established specific objectives to meet these guidelines. The Village's investment policy is more restrictive than Illinois State Statutes. The Village is authorized to make deposits in any credit union or bank, as defined by the Illinois Banking Act, and make investments in obligations guaranteed by the full faith and credit of the United States of America, similar obligations of agencies of the United States of America, certain money market mutual funds, and The Illinois Funds.

At April 30, 2015, the Village's cash and investments consisted of the following:

	Primary Government	Fiduciary	Total
Cash and Investments	\$ 9,687,558	2,073,844	11,761,402

For disclosure purposes, this amount is segregated into three components: 1) cash on hand; 2) deposits with financial institutions, which include amounts held in demand accounts, money market accounts, and savings accounts; and 3) other investments which consist of investments in The Illinois Funds, certificates of deposit, U.S. Treasuries, government-backed securities, and mutual funds as follows:

Cash on Hand - Village	\$	1,850
Deposits with Financial Institutions		
Village		5,030,610
OPEB Fund		2,073,844
Other Investments		
Village		4,655,098
		<u>\$ 11,761,402</u>

Information for the Police and Firefighters' Pension Funds' deposits and investments can be found in Note 11.

The Illinois Funds Money Market Fund is an external investment pool developed and implemented in 1975 by the Illinois General Assembly under the jurisdiction of the Treasurer, who has regulatory oversight for the pool. The Fund is not registered with the SEC and has an affirmed AAAM Standard & Poor's credit quality rating. The fair value of the positions of this pool is the same as the value of the pool shares. The yield on the Illinois Funds Money Market Fund was .014% at April 30, 2015. The Fund issues a publicly available financial report. That report may be obtained by writing to the Office of the State Treasurer, Illinois Funds Administrative Office, 300 W. Jefferson Street, Springfield, Illinois 62702.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect fair values of an investment. In accordance with its investment policy, the Village's investment portfolio shall remain sufficiently liquid to enable the Village to meet all operating requirements that may be reasonably anticipated in any Village fund.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

3. Deposits and Investments (Cont.)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. As of April 30, 2015, The Illinois Funds Money Market was 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 and Component Unit's deposits may not be returned. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. As of April 30, 2015, the Village's deposits with financial institutions had a book balance of \$7,365,665 and related bank balance of \$7,755,702. The entire amount was fully insured or collateralized at April 30, 2015.

Concentration of Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village limits its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Village's policy prescribes to the "prudent person" rule which states, "All investments shall be made with sound judgment and extraordinary care by persons of prudence, discretion, and intelligence. The primary objectives of the investment policy shall be 1) safety, 2) liquidity, and 3) return on investment (yield)."

4. Receivables - Taxes

Property taxes for 2014 attach as an enforceable lien on January 1, 2014. Taxes are levied by December 2014 for collection in the subsequent calendar year (by passage of a Tax Levy Ordinance). Tax bills are payable in two installments on or about June 1 and September 1, 2015. The County collects such taxes and remits them periodically. As the 2014 levy is intended to finance fiscal 2015-16 operations and debt service, the revenue has been recognized as a deferred inflow at April 30, 2015. Property tax revenue reported in fiscal year 2015 is comprised primarily of collections of the 2013 levy.

5. Receivables - Loans

In prior years, the Village was the recipient of three grants totaling \$687,500 from the Illinois Department of Commerce and Community Affairs under the Illinois Community Development Assistance Program. The grants were used to assist the economic and development needs of low to moderate income through the execution of below-market loans to area businesses. Upon repayment of the loans, the Village's use of the funds is restricted to general community development. The principal balance of outstanding loans was \$558,052 at April 30, 2015. The balance of the allowance for doubtful accounts is \$127,055. The non-current portion of this balance is \$217,171.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

6. Capital Assets

A. Governmental Activities

A summary of changes in capital assets for governmental activities of the Village is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	\$ 6,494,488			6,494,488
Capital Assets Being Depreciated				
Buildings and Improvements	6,759,139	189,533		6,948,672
Equipment	7,326,239	201,214	124,393	7,403,060
Infrastructure	15,015,022	41,426		15,056,448
	<u>29,100,400</u>	<u>432,173</u>	<u>124,393</u>	<u>29,408,180</u>
Less Accumulated Depreciation For				
Buildings and Improvements	2,788,563	240,233		3,028,796
Equipment	5,911,570	295,775	124,393	6,082,952
Infrastructure	4,004,375	472,760		4,477,135
	<u>12,704,508</u>	<u>1,008,768</u>	<u>124,393</u>	<u>13,588,883</u>
Total Capital Assets Being Depreciated, Net	<u>16,395,892</u>	<u>(576,595)</u>	<u>-</u>	<u>15,819,297</u>
Governmental Activities Capital Assets, Net	<u>\$ 22,890,380</u>	<u>(576,595)</u>	<u>-</u>	<u>22,313,785</u>

B. Business-Type Activities

A summary of changes in capital assets for business-type activities of the Village is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Being Depreciated				
Plant, Property, and Equipment	\$ 12,935,421	34,414		12,969,835
Less Accumulated Depreciation For Plant, Property, and Equipment	<u>6,085,214</u>	<u>389,163</u>		<u>6,474,377</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 6,850,207</u>	<u>(354,749)</u>	<u>-</u>	<u>6,495,458</u>

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

6. Capital Assets (Cont.)

C. Depreciation Expense

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

	Governmental Activities	Business-Type Activities
General Government	\$ 706,339	
Public Safety	232,341	
Public Works	70,088	
Sewerage		389,163
	<u>\$ 1,008,768</u>	<u>389,163</u>

7. Long-Term Debt

A. Changes in Long-Term Obligations

The following is a summary of the Village's long-term debt balances and transactions for the year ended April 30, 2015.

	Maturity Date	Balance May 1	Additions	Reductions	Balance April 30	Due Within One Year
<i>Governmental Activities</i>						
Tax Increment Revenue Bonds						
Series 2007						
6.10%	07/01/27	\$ 5,340,000		260,000	5,080,000	280,000
Premium on Bonds		60,821		8,265	52,556	
		5,400,821	-	268,265	5,132,556	280,000
Compensated Absences		1,465,328	447,248	326,196	1,586,380	396,595
Capital Leases Payable		317,431		117,120	200,311	119,416
Loan Payable		50,352		16,131	34,221	16,781
Net Pension Obligation - IMRF		61,055	4,579		65,634	
Net Pension Obligation - Police and Fire		674,705	49,102		723,807	
Net Other Post-Employment Benefits Obligation		2,574,761		1,703,367	871,394	
		<u>\$ 10,544,453</u>	<u>500,929</u>	<u>2,431,079</u>	<u>8,614,303</u>	<u>812,792</u>

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

7. Long-Term Debt (Cont.)

A. Changes in Long-Term Obligations (Cont.)

	Maturity Date	Balance May 1	Additions	Reductions	Balance April 30	Due Within One Year
<i>Business-Type Activities</i>						
General Obligation Bonds						
Series 2006						
4.00% - 4.50%	12/01/26	\$ 5,060,000		210,000	4,850,000	220,000
Premium on Bonds		39,645		4,242	35,403	
		5,099,645	-	214,242	4,885,403	220,000
Capital Lease Payable		215,244		51,630	163,614	53,060
Compensated Absences		80,184	24,122	22,306	82,000	20,500
		\$ 5,395,073	24,122	288,178	5,131,017	293,560

Compensated absences and post-employment benefits are paid from the General Fund and charged to General Government, Public Safety, and Public Works.

B. General Obligation Debt

The Series 2006 general obligation bonds were issued to provide funds for the acquisition, construction and installation of a major lift station. The bonds also provided funds for approximately two miles of sanitary sewer, approximately one mile of 36' interceptor sewer and approximately one mile of the interceptor sewer. The bonds also provided one mile of the collector sewerage system facilities constituting of Phases 1 and 2 of the Soldier Creek interceptor sewer project. The bonds are payable in semiannual installments of principal and interest, due June and December. The Village's insured Standard and Poor's rating for these bonds was AAA.

C. Tax Increment Revenue Bonds

The Village issued Series 2007 tax increment revenue bonds to finance the State Rt. 50 TIF project. The bonds are payable in semiannual installments of principal and interest, due January and July to the extent that incremental revenues are available to pay principal as the note is payable solely from incremental property taxes in the TIF. During fiscal 2012, the Village used fund balances in the State Rte. 50 TIF Fund to accelerate principal payments on this debt.

D. Capital Leases

The Village entered into a six year capital lease agreement with Peoples Bank of Kankakee County for the purchase of a street sweeper. The total amount of the lease is \$159,860, recorded as a governmental activity. The lease was dated August 20, 2013, with six future minimum payments of \$28,373 including an interest rate of 2.55%. The asset under the capital lease in the amount of \$159,860 was capitalized in fiscal year 2014. As of April 30, 2015, the accumulated depreciation balance related to this asset is \$15,986. Total principal due in fiscal year 2016 is \$25,619.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

7. Long-Term Debt (Cont.)

D. Capital Leases (Cont.)

The Village entered into a five year capital lease agreement with Peoples Bank of Kankakee County for the purchase of a tractor. The total amount of the lease is \$272,832, recorded in the Sewer Fund. The lease was dated July 24, 2013, with five future minimum payments of \$57,588, \$63,546, \$62,117, \$60,656 and \$59,139 including an interest rate of 2.73%. The asset under the capital lease in the amount of \$309,900 was capitalized in fiscal year 2014. As of April 30, 2015, the accumulated depreciation balance related to this asset is \$40,925. Total principal due in fiscal year 2016 is \$53,060.

On September 12, 2012, the Village entered into a lease agreement for thirty self-contained breathing apparatuses, recorded as a governmental activity. The lease will expire in fiscal year 2016 and requires two future minimum payments of \$50,230 in 2015 and 2016. The equipment purchased through the capital lease was not reported in the Village's capital asset records as the self-contained breathing apparatuses individually did not meet the Village's capitalization threshold of \$10,000.

On June 30, 2011, the Village entered into a capital lease agreement with Motorola Solutions Inc. for the purchase of 25 police radios, recorded as a governmental activity. The total amount of the lease was \$164,600. The lease will expire in 2016 with two future minimum payments of \$45,281 including interest at 3.935% in 2015 and 2016. The equipment purchased through the capital lease was not reported in the Village's capital asset records as the radios individually did not meet the Village's capitalization threshold of \$10,000.

F. Commercial Loan

On October 17, 2011, the Village entered into a commercial loan agreement with Homestar Bank for the purchase of an ambulance. The total amount of the note was \$80,676. The note was dated October 17, 2011, with five future minimum payments of \$18,130 including interest at 3.960%, beginning on October 17, 2012 and ending on October 17, 2016. The ambulance purchased through the commercial loan was reported in the Village's capital asset records during the fiscal year at a total cost of \$92,000. As of April 30, 2015, the accumulated depreciation balance related to this asset is \$36,800. Total principal due in fiscal year 2016 is \$16,781.

G. Debt Service Requirements to Maturity

Annual debt service requirements to maturity for tax increment revenue and general obligation bonds are as follows:

Year Ending April 30	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 280,000	309,880	220,000	207,350	500,000	517,230
2017	300,000	292,800	230,000	197,450	530,000	490,250
2018	320,000	274,500	240,000	187,100	560,000	461,600
2019	345,000	254,980	250,000	176,300	595,000	431,280
2020	370,000	233,935	260,000	166,300	630,000	400,235
2021-2025	2,310,000	795,135	1,460,000	664,400	3,770,000	1,459,535
2026-2030	1,155,000	106,750	1,785,000	335,500	2,940,000	442,250
2031-2035			405,000	18,225	405,000	18,225
	<u>\$ 5,080,000</u>	<u>2,267,980</u>	<u>4,850,000</u>	<u>1,952,625</u>	<u>9,930,000</u>	<u>4,220,605</u>

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

7. Long-Term Debt (Cont.)

G. Debt Service Requirements to Maturity (Cont.)

Annual debt service requirements to maturity for capital leases and notes payable are as follows:

Year Ending April 30	Governmental Activities				Total	
	Capital Leases		Notes Payable		Principal	Interest
	Principal	Interest	Principal	Interest		
2016	\$ 119,416	4,468	16,781	1,349	136,197	5,817
2017	26,276	2,097	17,440	839	43,716	2,936
2018	26,961	1,412			26,961	1,412
2019	27,658	715			27,658	715
	<u>\$ 200,311</u>	<u>8,692</u>	<u>34,221</u>	<u>2,188</u>	<u>234,532</u>	<u>10,880</u>

Year Ending April 30	Business-type Activities	
	Capital Leases	
	Principal	Interest
2016	\$ 53,060	4,528
2017	54,520	3,068
2018	56,034	1,554
	<u>\$ 163,614</u>	<u>9,150</u>

H. Legal Debt Margin

Assessed Valuation – 2014	<u>\$ 254,927,904</u>
Legal Debt Limit – 8.625% of Assessed Valuation	\$ 21,987,532
Amount of Debt Applicable to Debt Limit	_____
Legal Debt Margin	<u>\$ 21,987,532</u>

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."

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

8. Interfund Transactions

A. Due to/from Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Police Seizure Fund	\$ 182

B. Transfers

Receiving Fund	Transferring Fund	Amount
Capital Projects	General	\$ 166,511

One purpose of the \$166,511 transfer from the General Fund to the Capital Projects Fund is to support \$131,511 of improvements at Lil's Park. The \$131,511 was paid by new home development for the purpose of improving the Village's parks. The remaining \$35,000 transfer is to fund fiscal year 2015 infrastructure improvements. This transfer will not be repaid.

9. Risk Management

Arthur J. Gallagher & Co. is the Village's current full service insurance brokerage firm for property and liability coverage. The Village's property, equipment, boiler, general liability, automobile and law enforcement coverages are insured through the Illinois Municipal Insurance Cooperative. This includes, but is not limited to, the placement of insurance policies, coverage marketing, claims advocacy and management, loss prevention services, claim audits, training programs and risk information systems.

The Village participates in the Illinois Public Risk Fund (IPRF) for workers' compensation coverage. IPRF is a self-funded workers' compensation pool for public entities, established to provide a cost-effective alternative to escalating workers' compensation premiums and related costs. By participating in IPRF, more than 500 public entities and governmental agencies have pooled their workers' compensation exposures and controlled costs through a unified loss prevention and claims management program.

Crime and Public Officials' bond coverage is included with the Illinois Municipal Insurance Cooperative. This coverage includes faithful performance of duties for all Village employees, elected officials, board members, commissioners, directors and non-compensated officers. The policy has also been endorsed to include all employees that are required to be bonded by law, as well as coverage for Treasurers and Tax collectors up to the policy limits.

10. Contingent Liabilities

A. Litigation

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

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

10. Contingent Liabilities (Cont.)

B. Grants

Amounts received or receivable from grantors are subject to audit and adjustment by the grantors. 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.

C. Economic Incentives

The Village has entered into economic development agreements with various retail establishments in the Village to provide sales tax rebates. The Village expensed a total of \$111,760 related to these agreements during fiscal year 2015. Some of these agreements expired in fiscal year 2015, the remaining agreement will expire in 2016. In addition, the Village entered into an agreement in fiscal year 2010 with the Northfield Square, L.L.C. to share sales taxes generated at a fixed amount depending on the level of sales attained by the entity. The Village expensed a total of \$50,000 related to this agreement during fiscal year 2015. This agreement expired in fiscal year 2015.

D. TIF Performance Note

The Village has authorized the issuance of a TIF note which was meant to finance qualified project costs in an amount not to exceed \$15,000,000 associated with the State Rte. 50 TIF. The purpose of the note is to pay the developer for money advanced by the developer for certain qualified project costs. The final principal balance on the note is \$9,096,173. Interest accrues on this amount at a rate of 6% and is payable to the developer from the Village. Principal and interest payments on the note are payable to the developer only to the extent that there is excess incremental revenues. The failure of the Village to pay the principal and interest on the note when due solely to an insufficiency of incremental taxes is not considered an event of default nor does the developer have the right to compel the exercise of the general taxing power of the municipality, as such the principal and accrued interest due on the note is not reflected as a liability of the Village. The Village paid \$280,775 in accrued interest during fiscal year 2015. Remaining principal and accrued interest on the note at April 30, 2015, are \$9,096,173 and \$3,369,626, respectively.

11. Employee Benefit Plans

A. Plan Descriptions

Illinois Municipal Retirement Fund

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

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Benefit Plans (Cont.)

A. Plan Descriptions (Cont.)

Illinois Municipal Retirement Fund (Cont.)

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer annual required contribution rate for calendar 2014 was 11.82%.

For the SLEP Plan, members are required to contribute 7.50% of their annual covered salary. There were no required or actual contributions for 2014-15.

Police Pension Fund

Police sworn personnel are covered by the Police Pension Plan, which is a single-employer defined benefit pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Chapter 40 Illinois Compiled Statutes 5, and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The plan does not issue a stand-alone financial report.

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

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but Not Yet Receiving Them	18
Current Employees	
Vested	33
Nonvested	<u>3</u>
Total	<u><u>54</u></u>

The following is a summary of the Police Pension Plan as provided by the Illinois State Statutes:

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension 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% of the original pension and 3% simple interest annually thereafter.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Benefit Plans (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

Tier 2 employees (those hired on or after January 1, 2011) 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 officers' salary for pension purposes is capped at \$106,800, plus the lesser of one-half of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or one-half of the change in the Consumer Price Index for the proceeding calendar year.

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, as actuarially determined by an enrolled actuary. By the year 2040, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded.

Investment Policy

The deposits and investments of the pension funds are held separately from those of other Village funds. In addition to the aforementioned investments in Note 3, pension funds are also permitted to invest in the following instruments:

- General accounts of Illinois-licensed life insurance companies.
- Separate accounts of Illinois-licensed insurance companies invested in stocks, bonds and real estate, limited to 10% of the fund's investments.
- Bonds issued by any county, city, township, incorporated town, municipal corporation or school district in Illinois.
- Tax anticipation warrants issued by any city, township, incorporated town or fire protection district in Illinois.
- Equity accounts up to a limit of 45% of the aggregate fair value of the fund's assets.
- Direct obligations of the State of Israel.

In addition, pension funds with net position of \$2.5 million or more may invest up to 35% of plan net position in a separate account of life insurance companies and mutual funds. If pension funds have net position of at least \$5 million and have an appointed investment advisor, the pension funds may, through that investment advisor, invest up to 35% of the plan's net position in common and preferred stocks which meet specific restrictions.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Benefit Plans (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

Investment Policy (Cont.)

The Police Pension Fund's investment policy in accordance with ILCS establishes the following ranges and 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	5.0%	2.7%
Fixed Income	45.0%	3.9%
Equities		
U.S. Large Cap	36.0%	6.7%
U.S. Mid Cap	10.0%	6.9%
International Stocks	4.0%	7.4%

The long-term expected rate of return of the Police Pension Fund's investments was determined using an asset allocation study conducted by the Police Pension Fund's investment manager consultant in January 2015 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2015, are listed in the table above.

Investment Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on the police pension plan investments, net of pension plan investment expense, was 5.73%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

None of the Police Pension Fund's deposits of \$1,163,260 with financial institutions were exposed to custodial credit risk, as those deposits were insured, or fully collateralized by investments held by an independent third party in the Village's name.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Benefit Plans (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

Interest Rate Risk

As of April 30, 2015, the Police Pension Fund has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities		
		Less Than One Year	1 to 5 Years	More Than 5 Years
Corporate Bonds	\$ 460,465	175,114	285,351	
Federal Home Loan Bank	76,456	76,456		
Federal Home Loan Mortgage Corporation	322,491	1,001	321,490	
Federal National Mortgage Association	1,160,701	8,978	1,151,723	
Government National Mortgage Association	1,020,177		1,020,177	
U.S. Treasuries	1,102,875	555,359	547,516	
Other Government Backed Securities	243,485	243,485		
	4,386,650	1,060,393	3,326,257	-
Not Subject to Interest Rate Risk				
Money Market Mutual Funds	26,502			
Mutual Funds	4,940,900			
Equity Securities	3,919,581			
	<u>\$ 13,273,633</u>			

Mutual funds and individual equity securities are not subject to risk categorization. The mutual funds are managed by the financial institution in which they are held.

The Police Pension Funds' investment policy limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

Credit Risk

The Police Pension Fund limits its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The investments in the securities of U.S. government and agency obligations were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The Police Pension Funds' investment policies follow the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Benefit Plans (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Police Pension Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Police Pension Fund's agency separate from where the investment was purchased. The mutual funds and common stocks are not subject to custodial credit risk.

Net Pension Liability

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

Total Pension Liability	\$ 23,461,650
Plan Fiduciary Net Position	14,440,511
Village's Net Pension Liability	9,021,139
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.55%

See the Schedule of Changes in Village's Net Pension Liability and Related Ratios in the Required Supplementary Information for additional information related to the funded status of the Police Pension Fund.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2015, using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary Increases	1.12% - 4.86%
Discount Rate	6.75%
Cost of Living Adjustments	2.50%
Asset Valuation Method	Market

Mortality rates are based on rates developed in the RP 2000 Combined Healthy Mortality Table.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Benefit Plans (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below represents the pension liability of the Village calculated using the discount rate of 6.75% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 12,506,407	9,021,139	6,128,397

Firefighters' Pension Fund

Plan Description and Provisions

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a single-employer defined benefit pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contribution levels are mandated by Chapter 40 Illinois Compiled Statutes 5 and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The plan does not issue a standalone financial statement.

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

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but Not Yet Receiving Them	0
Current Employees	
Vested	4
Nonvested	3
Total	7

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Benefit Plans (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

Plan Description and Provisions (Cont.)

The following is a summary of the Firefighters' Pension Plan as provided by the Illinois State Statutes:

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service. The monthly pension shall be increased by one-twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) 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 firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of one-half of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or one-half of the change in the Consumer Price Index for the preceding calendar year.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, as actuarially determined by an enrolled actuary. By the year 2040, the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded.

Investment Policy

The deposits and investments of the pension funds are held separately from those of other Village funds. In addition to the aforementioned investments in Note 3, pension funds are also permitted to invest in the following instruments.

- General accounts of Illinois-licensed life insurance companies.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Benefit Plans (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

Investment Policy (Cont.)

- Separate accounts of Illinois-licensed insurance companies invested in stocks, bonds and real estate, limited to 10% of the fund's investments.
- Bonds issued by any county, city, township, incorporated town, municipal corporation or school district in Illinois.
- Tax anticipation warrants issued by any city, township, incorporated town or fire protection district in Illinois.
- Equity accounts up to a limit of 45% of the aggregate fair value of the fund's assets.
- Direct obligations of the State of Israel.

In addition, pension funds with net position of \$2.5 million or more may invest up to 35% of plan net position in a separate account of life insurance companies and mutual funds. If pension funds have net position of at least \$5 million and have an appointed investment advisor, the pension funds may, through that investment advisor, invest up to 35% of the plan's net position in common and preferred stocks which meet specific restrictions.

The Firefighters' Pension Fund's investment policy in accordance with ILCS establishes the following ranges and 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	2.0%	30.0%
Fixed Income	88.0%	3.2%
Equities		
Domestic	4.0%	7.2%
International	2.0%	0.2%
Real Estate	1.0%	7.8%
Blended	3.0%	7.0%

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Benefit Plans (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

Investment Policy (Cont.)

The long-term expected rate of return of the Firefighters' Pension Fund's investments was determined using an asset allocation study conducted by the Firefighters' Pension Fund's investment manager consultant in December 2014 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2015, are listed in the table above.

Investment Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on the Firefighters' Pension Plan investments, net of pension plan investment expense, was 1.15%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

None of the Firefighters' Pension Fund's deposits of \$130,560 with financial institutions were exposed to custodial credit risk, as those deposits were insured, or fully collateralized by investments held by an independent third party in the Village's name.

Interest Rate Risk

As of April 30, 2015, the Firefighters' Pension Fund has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities		
		Less Than One Year	1 to 5 Years	More Than 5 Years
Corporate Bonds	\$ 227,350	227,350		
Federal Home Loan Bank	30,025			30,025
Municipal Bonds	88,244	56,361		31,883
Government National Mortgage Association	24,704			24,704
U.S. Treasuries	88,248			88,248
	458,571	283,711	-	174,860
Not Subject to Interest Rate Risk Mutual Funds	51,150			
	<u>\$ 509,721</u>			

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Benefit Plans (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

Interest Rate Risk (Cont.)

Mutual funds and individual equity securities are not subject to risk categorization. The mutual funds are managed by the financial institution in which they are held.

The Firefighters Pension Fund's investment policy limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

Credit Risk

The Firefighters' Pension Fund limits its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The investments in the securities of U.S. government and agency obligations were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The Firefighters' Pension Funds' investment policies follow the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Firefighters' Pension Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Firefighters' Pension Fund's agency separate from where the investment was purchased. The mutual funds and common stocks are not subject to custodial credit risk.

Net Pension Liability

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

Total Pension Liability	\$ 1,190,950
Plan Fiduciary Net Position	638,258
Village's Net Pension Liability	552,692
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.59%

See the Schedule of Changes in Village's Net Pension Liability and Related Ratios in the Required Supplementary Information for additional information related to the funded status of the Firefighters' Pension Fund.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Benefit Plans (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2015, using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary Increases	5.00%
Discount Rate	6.00%
Cost of Living Adjustments	2.00% - 3.00%
Asset Valuation Method	Market

Mortality rates are based on rates developed in the RP-2000 CHBCA Mortality Table.

Discount Rate

The discount rate used to measure the total pension liability was 6.00%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Firefighters' Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below represents the pension liability of the Village calculated using the discount rate of 6.00% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.00%) or one percentage point higher (7.00%) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net Pension Liability	\$ 778,817	552,692	370,742

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Benefit Plans (Cont.)

B. Significant Investments

It is the policy of the Police and Firefighters' Pension Funds to diversify their investment portfolios. At April 30, 2015, none of the Police Pension Fund's investments or Firefighters' Pension Fund's investments (other than those issued or guaranteed by the U.S. Government) included an investment representing 5% or more of plan net assets.

C. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	12/31/2014	4/30/2015	4/30/2015
Actuarial Cost Method	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset Valuation Method	5 year Smoothed Market	5 year Smoothed Market	5 year Smoothed Market
Amortization Method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Amortization Period	30 Years, Open	26 Years, Closed	26 Years, Closed
Significant Actuarial Assumptions			
(a) Investment Rate of Return Present and Future Assets	7.50%	6.75%	6.00%
(b) Projected Salary Increase Attributable to Inflation	4.00%	1.12%-4.86%	5.00%
(c) Additional Projected Salary Increases Attributable to Seniority/Merit	0.4% to 10.0%	(Note: Separate information for c and d not available)	(Note: Separate information for c and d not available)
(d) Postretirement Benefit Increases	3.00%	3.00%	3.00%
(e) Remaining Amortization Period	29 years	26 years	26 years

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Retirement Systems (Cont.)

C. Annual Pension Costs (Cont.)

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

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Required Contribution (ARC)	\$ 310,867	878,601	85,451
Interest on Net Pension Obligation	4,579	33,133	12,871
Adjustments to the ARC		(32,121)	(8,248)
Annual Pension Cost (APC)	315,446	879,613	90,074
Contributions Made	310,867	835,134	85,451
Change in the Net Pension Obligation	4,579	44,479	4,623
Net Pension Obligation at May 1, 2014	61,055	490,840	183,865
Net Pension Obligation at April 30, 2015	\$ 65,634	535,319	188,488

For the SLEP Plan, the annual pension cost was \$0 for the calendar year 2014. The required contribution for 2014 was determined as part of the December 31, 2012 actuarial valuation using the entry age normal actuarial cost method.

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

	Fiscal Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost	2015	\$ 310,867	879,613	90,074
	2014	300,202	777,401	77,914
	2013	256,813	742,903	77,398
Percent Contributed	2015	100.0%	94.9%	94.9%
	2014	100.0%	103.5%	94.9%
	2013	100.0%	90.7%	94.3%
Net Pension Obligation	2015	\$ 65,634	535,319	188,488
	2014	61,055	490,840	183,865
	2013	59,297	518,388	179,871

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Retirement Systems (Cont.)

D. Funded Status

Illinois Municipal Retirement

As of December 31, 2014, the most recent actuarial valuation date, the Regular Plan was 83.49% funded. The actuarial accrued liability for benefits was \$6,037,715 and the actuarial value of assets was \$4,268,954, resulting in underfunded actuarial accrued liability (UAAL) of \$1,768,761. The covered payroll (annual payroll of active employees covered by the plan) was \$2,630,008 and the ratio of the UAAL to the covered payroll was 67.25%. In conjunction with the December 2013 actuarial valuation, the market value of investments was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

As of December 31, 2014, the most recent actuarial valuation date, the SLEP Plan was 100% funded. Actuarial accrued liability was \$0 and actuarial value of assets was \$35,191, resulting in an underfunded actuarial liability of \$(35,191). The covered payroll (annual payroll of active employees covered by the plan) was \$0 and the ratio of the UAAL to covered payroll was 0%.

Police Pension

As of April 30, 2015, the Police Pension Plan was 65.36% funded. The actuarial accrued liability was \$19,602,058 and the actuarial value of assets was \$12,811,797, resulting in an underfunded actuarial accrued liability of \$6,790,261. The covered payroll for 2015 was \$2,473,848 and the ratio of the UAAL to covered payroll was thus 274.48%.

Firefighters' Pension

As of April 30, 2015, the Firefighters' Pension Plan was 53.6% funded. The actuarial accrued liability was \$1,190,950 and the actuarial value of assets was \$638,258, resulting in an underfunded actuarial accrued liability of \$552,692. The covered payroll for 2015 was \$432,920 and the ratio of the UAAL to covered payroll was thus 127.70%.

The Schedule of Funding Progress for the Regular, SLEP, Police and Firefighters' plans, presented as Required Supplementary Information following the Notes to the Financial Statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

E. Summary of Significant Accounting Policies and Plan Asset Matters

Police Pension and Firefighters' Pension

i. Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs are financed through the fund.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

11. Employee Retirement Systems (Cont.)

E. Summary of Significant Accounting Policies and Plan Asset Matters (Cont.)

Police Pension and Firefighters' Pension (Cont.)

ii. Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. Investment income is recognized as earned.

Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date. Equity securities are reported at cost subject to adjustment for market declines judged to be other than temporary (lower of cost or market).

iii. Related Party Transactions

There are no securities of the employer or any other related parties included in plan assets, including any loans.

F. Significant Actuarial Assumption

Police Pension and Firefighters' Pension

The actuarial cost method for the above plans is entry age normal and the amortization method is a level percentage of payroll, closed period. The asset valuation method is fair market value.

G. Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Six-year trend information may be found in the required supplemental information section of the government's annual financial report.

12. Other Post-Employment Benefits

In addition to providing the pension benefits described in Note 11, the Village provides post-employment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan does not issue a separate report. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established. The cost of the plan is reported in the fund from which the benefits are paid.

Benefits Provided

The Village provides post-employment health care benefits to its retirees as well as those employees separated from service from the Village but are not yet retired provided that either group has given at least 20 years of continuous, full-time service to the Village. However, this benefit was completely phased out for all new hires after June 1, 2002.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

12. Other Post-Employment Benefits (Cont.)

Benefits Provided (Cont.)

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

Membership

At April 30, 2015, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	24
Terminated Employees Entitled to Benefits but Not Yet Receiving Them	0
Current Employees	
Vested	39
Nonvested	<u>0</u>
Total	<u>63</u>
Participating Employers	<u>1</u>

Funding Policy

The Village pays for 80% of the plan premiums, regardless of the level of coverage provided, and both current employees and those no longer working for the Village. Those who qualify for the health care benefit, including retirees, pay 20% of the plan premiums. Plan premiums fluctuate from year to year based on market conditions and usage by members.

Annual OPEB Costs and Net OPEB Obligation

The Village had an actuarial valuation performed for the plan as of April 30, 2015, to determine the funded status of the plan as of that date, as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2015. The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 was as follows:

Fiscal Year End	Annual OPEB Cost	Employer Contributions	of Annual OPEB Cost Contributions	Net OPEB Obligation
April 30, 2015	\$ 576,241	2,279,608	395.6%	871,394
April 30, 2014				2,574,761
April 30, 2013	513,129	129,372	25.2%	2,574,761

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

12. Other Post-Employment Benefits (Cont.)

Annual OPEB Costs and Net OPEB Obligation (Cont.)

The net OPEB Obligation at April 30, 2015, was calculated as follows:

Annual Required Contribution	\$ 559,076
Interest on Net OPEB Obligation	102,990
Adjustment to Annual Required Contribution	<u>(85,825)</u>
Annual OPEB Cost	576,241
Contributions Made	<u>2,279,608</u>
(Decrease) in Net OPEB Obligation	(1,703,367)
Net OPEB Obligation, Beginning of Year	<u>2,574,761</u>
Net OPEB Obligation, End of Year	<u><u>\$ 871,394</u></u>

Funded Status and Funding Progress

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

Actuarial Accrued Liability (AAL)	\$ 9,084,263
Actuarial Value of Plan Assets	2,073,229
Unfunded Actuarial Accrued Liability (UAAL)	7,011,034
Funded Ratio (Actuarial Value of Plan Assets/AAL)	22.8%
Covered Payroll (Active Plan Members)	2,502,786
UAAL as a Percentage of Covered Payroll	280.1%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARCs of the employer are subject to continual revision as actuarial results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as Required Supplementary Information following the Notes to the Financial Statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

12. Other Post-Employment Benefits (Cont.)

Annual OPEB Costs and Net OPEB Obligation (Cont.)

Actuarial Methods and Assumptions (Cont.)

In the April 30, 2014 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included 4.0% investment rate of return (net of administrative expenses) and an initial annual healthcare cost trend rate of 8.00% reduced by 0.5% each year to arrive at an ultimate healthcare cost trend rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was \$2,073,229. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2015, was 30 years.

13. Pension and Other Post-Employment Benefit Trust Funds – Financial Data

A. Schedule of Fiduciary Net Position as of April 30, 2015

	Police Pension	Firefighters' Pension	OPEB	Total
Assets				
Cash and Cash Equivalents	\$ 1,163,260	130,560	2,073,844	3,367,664
Investments				
U.S. Treasury Securities	1,102,875	88,244		1,191,119
U.S. Agency Securities	2,823,310	142,977		2,966,287
Corporate Bonds	460,465	227,350		687,815
Common Stocks	3,919,581			3,919,581
Mutual Funds	4,967,402	51,150		5,018,552
Receivables				
Accrued Interest	4,208			4,208
Prepaid Expenses	1,035		1,509	2,544
Total Assets	14,442,136	640,281	2,075,353	17,157,770
Liabilities				
Accounts Payable	1,625	2,023		3,648
Net Position				
Restricted for Pensions	14,440,511	638,258		15,078,769
Restricted for Other Post-Employment Benefits			2,075,353	2,075,353
Total Net Position	\$ 14,440,511	638,258	2,075,353	17,154,122

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

13. Pension and Other Post-Employment Benefit Trust Funds – Financial Data

B. Schedule of Changes in Fiduciary Net Position as of April 30, 2015

	Police Pension	Firefighters' Pension	OPEB	Total
Additions				
Village Contributions	\$ 835,134	85,451	2,300,000	3,220,585
Employee Contributions	243,589	32,944		276,533
	<u>1,078,723</u>	<u>118,395</u>	<u>2,300,000</u>	<u>3,497,118</u>
Investment Income				
Interest Income	147,697	18,230	737	166,664
Net Appreciation (Depreciation) in Fair Value of Investments	731,843	(11,846)		719,997
Total Investment Income	879,540	6,384	737	886,661
Less Investment Expense	(109,282)			(109,282)
Net Investment Income	<u>770,258</u>	<u>6,384</u>	<u>737</u>	<u>777,379</u>
Total Additions	<u>1,848,981</u>	<u>124,779</u>	<u>2,300,737</u>	<u>4,274,497</u>
Deductions				
Administration	17,842	7,662	225,184	250,688
Benefits and Refunds	727,895			727,895
Total Deductions	<u>745,737</u>	<u>7,662</u>	<u>225,184</u>	<u>978,583</u>
Net Increase in Net Position	1,103,244	117,117	2,075,553	3,295,914
Net Position Restricted for Pensions and Other Post-Employment Benefits				
May 1	<u>13,337,267</u>	<u>521,141</u>		<u>13,858,408</u>
April 30	<u>\$ 14,440,511</u>	<u>638,258</u>	<u>2,075,553</u>	<u>17,154,322</u>

14. Joint Venture

Kankakee River Metropolitan Agency (KRMA)

Description of Joint Venture

The Village is a member of the Kankakee River Metropolitan Agency (KRMA) which consists of four municipalities. KRMA is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended, (the Act). KRMA is empowered under the Act to plan, construct, finance, operate and maintain a sewer and wastewater treatment system to serve its members.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

14. Joint Venture (Cont.)

Kankakee River Metropolitan Agency (KRMA) (Cont.)

Description of Joint Venture (Cont.)

KRMA is governed by a Board of Directors which consists of one official selected by each member municipality. Each Director has an equal vote. The officers of KRMA are appointed by the Board of Directors. The Board of Directors determines the general policy of the agency, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of Bonds or Notes by the Agency, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

Summary Financial Information of KRMA

Summary of Financial Position as of April 30, 2015:

<u>Assets/Deferred Outflows of Resources</u>		<u>Liabilities and Fund Equity</u>	
Current Assets	\$ 2,101,520	Current Liabilities	\$ 8,308,061
Restricted Assets	3,099,615	Long-Term Liabilities	<u>66,406,074</u>
Capital Assets, Net	77,046,293	Total Liabilities	74,714,135
Deferred Bond Refunding	<u>472,573</u>	Net Position	<u>8,005,866</u>
Total Assets/Deferred Outflows of Resources	<u>\$ 82,720,001</u>	Total Liabilities and Net Position	<u>\$ 82,720,001</u>

Summary of Revenues, Expenses, and Changes in Net Assets for the year ended April 30, 2015:

Operating Revenues	\$ 9,534,059
Operating Expenses	<u>6,731,307</u>
Operating Income	2,802,752
Non-Operating Revenues and Expenses	<u>(181,999)</u>
Net Income	2,620,753
Net Position May 1	<u>5,385,113</u>
April 30	<u>\$ 8,005,866</u>

Complete financial statements for KRMA can be obtained from the City of Kankakee accounting department.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

14. Joint Venture (Cont.)

Kankakee River Metropolitan Agency (KRMA) (Cont.)

Other Joint Venture Information

KRMA's bonds are revenue obligations. They are limited obligations of KRMA with a claim for payment solely from and secured by a pledge of the revenues of the System and amounts in various funds and accounts established by Agency resolutions. The Bonds are not a debt of any member. KRMA has no power to levy taxes.

Operating revenues of the Agency include charges to the participants for their respective share of the administration, operating and maintenance expenditures including provision for debt service of the Agency and charges to other waste haulers. Nonoperating revenues include investment income, insurance reimbursements and capital grants.

KRMA is directed by an intergovernmental agreement dated May 1, 1996. This agreement stipulates that the City of Kankakee, the Villages of Aroma Park, Bourbonnais and Bradley will provide for the joint and cooperative operation, use and maintenance of the wastewater treatment system which serves these for communities. The Agency acquired ownership of the Regional Wastewater Treatment Facility (RWTF) from the City of Kankakee on April 22, 1999. The acquisition was funded by the issue of revenue bonds.

The participants make monthly payments from the estimated operation and maintenance expenses, administrative expenses, capital outlay, debt service and other equity transactions. Changes in actual expenditures as compared to budget, as well as changes in actual relative flows as compared to estimates create differences which are calculated and reflected in the participant receivable/payable accounts which are carried from year-to-year until availability of working capital enable repayment.

During the year ended April 30, 2015, the Village received an ownership credit of \$120,000.

15. Future Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following pronouncements, which are expected to have a material impact on the Village's financial statements in future periods:

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. Statement No. 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information. The provisions of this Statement are effective for the Village's financial year ending April 30, 2016. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. This Statement is an amendment of GASB Statement No. 68, and was issued to eliminate the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of Statement 68 in the accrual-basis financial statements of employers and non-employer contributing entities. The Village is required to implement this Statement for the fiscal year ending April 30, 2016.

VILLAGE OF BRADLEY, ILLINOIS

Notes to the Financial Statements
Year Ended April 30, 2015

15. Future Pronouncements (Cont.)

Statement No. 72, *Fair Value Measurement and Application*. This Statement was issued to enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. The Village is required to implement this Statement for the fiscal year ending April 30, 2017.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement revises existing standards of financial reporting for postemployment benefits other than pensions. This Statement replaces the requirements of Statement Nos. 45 and 57. The Village will be required to implement this Statement for the year ending April 30, 2019.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Required Supplementary Information

Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual	Variance from Budget Over (Under)
Revenues				
Property Taxes	\$ 2,037,937	2,037,937	2,062,226	24,289
State Shared Taxes	8,690,641	8,690,641	8,364,949	(325,692)
Licenses and Permits	217,900	217,900	257,418	39,518
Intergovernmental			16,435	16,435
Charges for Services	428,590	428,590	402,873	(25,717)
Fines and Forfeitures	420,850	420,850	340,549	(80,301)
Investment Income	100,150	100,150	42,865	(57,285)
Miscellaneous	547,700	572,924	378,916	(194,008)
Total Revenues	<u>12,443,768</u>	<u>12,468,992</u>	<u>11,866,231</u>	<u>(602,761)</u>
Expenditures				
Current				
General Government	3,004,198	3,065,626	2,845,562	(220,064)
Public Safety	6,692,487	6,663,408	6,230,441	(432,967)
Public Works	1,596,606	1,596,606	1,556,599	(40,007)
Public Property	887,750	887,750	316,326	(571,424)
Building Standards	690,675	690,675	576,255	(114,420)
Employee Benefits	2,315,000	2,315,000	2,310,361	(4,639)
Total Expenditures	<u>15,186,716</u>	<u>15,219,065</u>	<u>13,835,544</u>	<u>(1,383,521)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(2,742,948)</u>	<u>(2,750,073)</u>	<u>(1,969,313)</u>	<u>780,760</u>
Other Financing Sources (Uses)				
Transfers Out	(235,000)	(235,000)	(166,511)	68,489
Sale of Capital Assets			6,200	6,200
Total Other Financing Sources (Uses)	<u>(235,000)</u>	<u>(235,000)</u>	<u>(160,311)</u>	<u>74,689</u>
Net Change in Fund Balance	<u>\$ (2,977,948)</u>	<u>(2,985,073)</u>	<u>(2,129,624)</u>	<u>855,449</u>
Fund Balance				
Beginning			<u>9,743,981</u>	
Ending			<u>7,614,357</u>	

VILLAGE OF BRADLEY, ILLINOIS

Revolving Loan Fund

Required Supplementary Information

Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual	Variance from Budget Over (Under)
Revenues				
Investment Income	\$ 12,537	12,537	11,058	(1,479)
Recovery of Bad Debts			3,673	3,673
Total Revenues	<u>12,537</u>	<u>12,537</u>	<u>14,731</u>	<u>2,194</u>
Expenditures				
Net Change in Fund Balance	<u>\$ 12,537</u>	<u>12,537</u>	14,731	<u>2,194</u>
Fund Balance				
Beginning			<u>1,915,437</u>	
Ending			<u>1,930,168</u>	

VILLAGE OF BRADLEY, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
April 30, 2015**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age Normal Cost (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll ((b-1)/c)
12/31/2014	\$ 4,268,954	6,037,715	1,768,761	70.70%	2,630,008	67.25%
12/31/2013	5,104,095	6,353,813	1,249,718	80.33%	2,458,158	50.84%
12/31/2012	4,649,817	6,078,035	1,428,218	76.50%	2,299,135	62.12%
12/31/2011	3,992,477	5,377,511	1,385,034	74.24%	2,186,189	63.35%
12/31/2010	4,277,068	5,419,658	1,142,590	78.92%	2,208,100	51.75%
12/31/2009	4,247,812	5,787,494	1,539,682	73.40%	2,378,130	64.74%

On a market value basis, the actuarial value of assets as of December 31, 2014, is \$5,310,679. On a market basis, the funded ratio would be 87.96%.

VILLAGE OF BRADLEY, ILLINOIS

IMRF Sheriff's Law Enforcement Personnel Fund

Required Supplementary Information
April 30, 2015

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age Normal Cost (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll ((b-1)/c)
12/31/2014	\$ 35,191		(35,191)			N/A
12/31/2013	30,789		(30,789)			N/A
12/31/2012	10,240		(10,240)			N/A
12/31/2011	(69,373)		69,373			N/A
12/31/2010	(56,441)		56,441			N/A
12/31/2009	(66,489)		66,489		117,934	56.38%

On a market value basis, the actuarial value of assets as of December 31, 2014, is \$66,664.

VILLAGE OF BRADLEY, ILLINOIS

Police Pension Fund

Required Supplementary Information
April 30, 2015

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age Normal Cost (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll ((b-1)/c)
4/30/2015	\$ 12,811,797	19,602,058	6,790,261	65.36%	2,473,848	274.48%
4/30/2014	11,560,925	18,510,982	6,950,057	62.45%	2,412,128	288.13%
4/30/2013	10,528,991	17,300,534	6,771,543	60.86%	2,091,554	323.76%
4/30/2012	9,662,309	15,617,100	5,954,791	61.87%	1,976,515	301.28%
4/30/2011	8,265,480	14,663,922	6,398,442	56.37%	1,752,346	365.14%
4/30/2010	9,517,459	15,604,617	6,087,159	60.99%	1,953,328	311.63%

VILLAGE OF BRADLEY, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
April 30, 2015

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age Normal Cost (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll ((b-1)/c)
4/30/2015	\$ 638,258	1,190,950	552,692	53.59%	432,920	127.67%
4/30/2014	521,141	991,745	470,604	52.55%	310,239	151.69%
4/30/2013	444,176	899,883	455,707	49.36%	301,337	151.23%
4/30/2012	340,616	695,093	354,477	49.00%	274,020	129.36%
4/30/2011	262,587	599,004	336,417	43.84%	269,804	124.69%
4/30/2010	N/A	N/A	N/A	N/A	N/A	N/A

N/A - Report unavailable prior to April 30, 2011.

VILLAGE OF BRADLEY, ILLINOIS

Other Post-Employment Benefits

Required Supplementary Information
April 30, 2015

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age Normal Cost (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll ((b-a)/c)
4/30/2015	\$ 2,073,229	9,084,263	7,011,034	22.82%	2,502,786	280.13%
4/30/2014		9,084,263	9,084,263		2,871,658	316.34%
4/30/2013		9,084,263	9,084,263		2,871,658	316.34%
4/30/2012		7,677,870	7,677,870		2,780,251	276.16%
4/30/2011		7,677,870	7,677,870		2,780,251	276.16%
4/30/2010		7,677,870	7,677,870		2,780,251	276.16%

VILLAGE OF BRADLEY, ILLINOIS

Required Supplementary Information

Schedules of Village Contributions

April 30, 2015

Illinois Municipal Retirement Fund

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2015	\$ 310,867	310,867	100.00%
2014	300,202	300,202	100.00%
2013	256,813	256,813	100.00%
2012	233,048	263,217	88.54%
2011	213,965	236,267	90.56%
2010	209,513	209,513	100.00%

Sheriff's Law Enforcement Personnel

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2015	\$		
2014	7,354	7,354	100.00%
2013	881	881	100.00%
2012		N/A	N/A
2011	16,640	19,329	100.00%
2010	16,640	16,640	N/A

VILLAGE OF BRADLEY, ILLINOIS

Required Supplementary Information

Schedules of Village Contributions

April 30, 2015

Police Pension Fund

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	\$ 1,295,803	835,134	(460,669)	2,473,848	33.76%

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2015	\$ 835,134	878,601	95.05%
2014	804,949	775,038	103.86%
2013	673,584	739,843	91.04%
2012	602,737	614,197	98.13%
2011	431,298	602,313	71.61%
2010	440,293	625,994	70.34%

Notes to the Required Supplementary Information

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	1.12% - 4.86%
Investment Rate of Return	6.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	Mortality rates were based on the RP-2000 Combined Healthy Mortality Table.

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the enactment of this pronouncement are not available to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

VILLAGE OF BRADLEY, ILLINOIS

Required Supplementary Information

Schedules of Village Contributions

April 30, 2015

Firefighters' Pension Fund

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	\$ 85,451	85,451		432,920	19.74%

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2015	\$ 85,451	73,155	116.81%
2014	73,920	77,914	94.87%
2013	72,986	77,398	94.30%
2012	53,176	71,860	74.00%
2011	20,531	69,363	29.60%
2010	N/A	N/A	N/A

N/A - Report unavailable prior to April 30, 2011.

Notes to the Required Supplementary Information

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	5.00%
Investment Rate of Return	6.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	Mortality rates were based on the RP-2000 Combined Healthy Mortality Table.

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the enactment of this pronouncement are not available to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

VILLAGE OF BRADLEY, ILLINOIS

Required Supplementary Information

Schedules of Village Contributions

April 30, 2015

Other Post-Employment Benefits

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2015	\$ 2,279,608	559,076	407.75%
2014		498,522	0.00%
2013		498,522	0.00%
2012		498,522	0.00%
2011		498,522	0.00%
2010		832,550	0.00%

VILLAGE OF BRADLEY, ILLINOIS

Required Supplementary Information

Schedules of Changes in Village's Net Pension Liability and Related Ratios

April 30, 2015

Police Pension Fund

Total Pension Liability	
Service Cost	\$ 708,543
Interest	1,300,620
Changes in Benefit Terms	
Differences Between Expected and Actual Experience	1,052,181
Change of Assumptions	1,526,143
Benefit Payments, Including Refunds of Member Contributions	<u>(727,895)</u>
Net Change in Total Pension Liability	3,859,592
Total Pension Liability - Beginning	<u>19,602,058</u>
Total Pension Liability - Ending	<u>\$ 23,461,650</u>
Plan Fiduciary Net Position	
Contributions - Village	\$ 835,134
Contributions - Members	243,589
Contributions - Other	
Net Investment Income	770,258
Benefit Payments, Including Refunds of Member Contributions	(727,895)
Administrative Expense	<u>(17,842)</u>
Net Change in Plan Fiduciary Net Position	1,103,244
Plan Net Position - Beginning	<u>13,337,267</u>
Plan Net Position - Ending	<u>\$ 14,440,511</u>
Village's Net Pension Liability	<u>\$ 9,021,139</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.55%
Covered Employee Payroll	2,473,848
Village's Net Pension Liability as a Percentage of Covered Employee Payroll	364.66%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

VILLAGE OF BRADLEY, ILLINOIS

Required Supplementary Information

Schedules of Changes in Village's Net Pension Liability and Related Ratios

April 30, 2015

Firefighters' Pension Fund

Total Pension Liability	
Service Cost	\$ 94,173
Interest	69,422
Changes in Benefit Terms	
Differences Between Expected and Actual Experience	(176,896)
Change of Assumptions	212,506
Benefit Payments, Including Refunds of Member Contributions	
	<hr/>
Net Change in Total Pension Liability	199,205
Total Pension Liability - Beginning	991,745
	<hr/>
Total Pension Liability - Ending	<u>\$ 1,190,950</u>
Plan Fiduciary Net Position	
Contributions - Village	\$ 85,451
Contributions - Members	32,944
Contributions - Other	
Net Investment Income	6,384
Benefit Payments, Including Refunds of Member Contributions	
Administrative Expense	(7,662)
	<hr/>
Net Change in Plan Fiduciary Net Position	117,117
Plan Net Position - Beginning	521,141
	<hr/>
Plan Net Position - Ending	<u>\$ 638,258</u>
Village's Net Pension Liability	<u>\$ 552,692</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.59%
Covered Employee Payroll	432,920
Village's Net Pension Liability as a Percentage of Covered Employee Payroll	127.67%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

VILLAGE OF BRADLEY, ILLINOIS

Required Supplementary Information

Schedules of Investment Returns

April 30, 2015

Police Pension Fund

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	5.73%

Firefighters' Pension Fund

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	1.15%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in fiscal year 2015.

VILLAGE OF BRADLEY, ILLINOIS

Note to Required Supplementary Information
April 30, 2014

1. Budgetary Basis of Accounting

A. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. An annual appropriated budget is adopted for the General Fund, Revolving Loan Fund, State Rte. 50 TIF Fund, Motor Fuel Tax Fund, Capital Projects Fund, Proprietary Fund and Fiduciary Funds.

B. Budgets - Operating

All departments of the Village submit requests to the Village's administrator so that a budget may be prepared. The budget is prepared by fund, function and activity and includes information on the past year, current year estimates and requested budgets for the next fiscal year. The proposed budget is presented to the Village Board for review. The Village Board holds public hearings and may add to, subtract from or change budgeted amounts, but may not change the form of the budget.

C. Budgets - Appropriations

During the year, no funds had an excess of actual expenditures over budget:

The annual Village appropriation ordinance states that no amendment is required for any expenditures that go over their adopted appropriation as long as there are sufficient fund revenues or reserves to pay the amount that exceeds the appropriation.

During the year ended April 30, 2015, there were amendments to various budgeted accounts

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

GOVERNMENTAL FUND TYPES

GENERAL FUND

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual
For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Taxes			
Property Taxes	\$ 2,037,937	2,037,937	2,062,226
State Shared Taxes			
Sales Tax	6,746,979	6,746,979	6,289,270
Use Tax	282,931	282,931	327,838
Income Tax	1,554,531	1,554,531	1,630,195
Replacement Tax	105,000	105,000	116,660
Auto Rental Tax	1,200	1,200	986
Total State Taxes	8,690,641	8,690,641	8,364,949
Total Taxes	10,728,578	10,728,578	10,427,175
Licenses and Permits			
Licenses			
Liquor License	56,000	56,000	55,800
Vending License	4,000	4,000	5,500
Vending Chance	1,000	1,000	1,462
Vending Service	6,500	6,500	5,967
Tobacco License	1,600	1,600	200
Business License			6,991
Motor Vehicle Repair	1,000	1,000	1,350
Other License	2,800	2,800	20,487
Total Licenses	72,900	72,900	97,757
Permits			
Building Permits	129,500	129,500	143,110
Hall Rental	14,400	14,400	14,401
Park Rental	1,100	1,100	2,150
Total Permits	145,000	145,000	159,661
Total Licenses and Permits	217,900	217,900	257,418
Intergovernmental			
Police Grants			9,820
Fire Grants			6,615
Total Intergovernmental	-	-	16,435

(Cont.)

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual (Cont.)

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Charges for Services			
Charges and Fees			
Garbage Billings	11,240	11,240	17,408
Ambulance Revenue	400,000	400,000	369,291
Administrative Review Fee	5,000	5,000	2,400
Summer Program Revenue	1,600	1,600	1,360
Sex Offender Registration	500	500	660
Public Safety Inspections	7,500	7,500	9,350
Police Report Fees	2,750	2,750	2,404
Total Charges for Services	428,590	428,590	402,873
Fines and Forfeitures			
Circuit Court Fines	80,000	80,000	117,647
Administrative Tow Fee	157,500	157,500	131,300
Parking Fines			(350)
Adjudication Fines	137,500	137,500	47,132
Other Fines	45,850	45,850	44,820
Total Fines and Forfeitures	420,850	420,850	340,549
Investment Income	100,150	100,150	42,865
Miscellaneous			
Donations	211,000	211,000	6,990
Reimbursements	85,000	110,224	108,791
Franchise Fees	235,000	235,000	247,397
Scrap Receipts			672
Other Income	16,700	16,700	15,066
Total Miscellaneous	547,700	572,924	378,916
Total Revenues	\$ 12,443,768	12,468,992	11,866,231

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
General Government			
President			
Salary - Mayor	\$ 13,200	13,200	13,200
Telephone	1,500	1,500	1,140
Mileage	100	100	
IMRF	1,728	1,728	1,665
FICA	893	893	893
Medicare	213	213	209
Membership	1,500	1,500	1,000
Conventions	2,000	2,000	2,288
Entertainment	1,750	1,750	1,630
Travel and Lodging	1,000	1,000	
Meals	750	750	
Amenities for the Sick	700	700	483
Miscellaneous	100	100	
Salary Liquor Control	1,200	1,200	1,200
Total President	26,634	26,634	23,708
Clerk			
Salary - Clerk	8,100	8,100	7,500
IMRF	972	972	
FICA	503	503	465
Medicare	118	118	109
Membership	500	500	400
Publications	6,500	6,500	5,431
Literature and Periodicals	200	200	
Conventions and Meetings	500	500	771
Codification	3,000	3,000	550
Travel and Lodging	200	200	643
Other Fees	100	100	36
Total Clerk	20,893	20,893	16,000
Treasurer			
Salary - Treasurer	109,174	109,174	111,372
Part Time Wages - Intern	20,580	20,580	
Stipends	2,822	2,822	2,822
Telephone	900	900	676
Mileage	750	750	599
Dental Insurance	812	812	923
Life Insurance	304	304	299
Medical Insurance	18,255	18,255	18,045
IMRF	16,033	16,033	13,094
FICA	8,326	8,326	6,784
Medicare	1,981	1,981	1,587

(Cont.)

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual (Cont.)

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
General Government (Cont.)			
Treasurer (Cont.)			
Audit	20,400	20,400	20,400
Membership	440	440	250
Conventions and Meetings	1,750	1,750	340
Travel and Lodging	1,000	1,000	143
Meals and Per Diem	300	300	217
Total Treasurer	<u>203,827</u>	<u>203,827</u>	<u>177,551</u>
Trustees			
Salary - Trustees	28,800	28,800	28,800
IMRF	1,152	1,152	555
FICA	1,786	1,786	1,786
Medicare	418	418	418
Conventions	10,000	10,000	8,948
Total Trustees	<u>42,156</u>	<u>42,156</u>	<u>40,507</u>
General Administration			
Clerical	55,638	55,638	59,784
Overtime	1,500	1,500	2,526
Stipends	1,200	1,200	1,200
Telephone	2,000	2,000	1,721
Mileage	600	600	105
Office Supplies	10,000	10,000	17,587
Office Equipment	1,500	1,500	2,777
Office Equipment Repair	6,000	6,000	3,296
Department Projects	15,000	15,000	20,419
Postage	1,100	1,100	1,506
Software Purchase	500	500	
Hardware Purchase	1,500	1,500	956
General Supplies	350	350	658
Liability Insurance	363,809	363,809	379,180
Medical Payments	2,000	2,000	750
Legal Fees			948
Other Fees	48,500	48,500	13,136
Investment Expense	20,000	20,000	19,050
Miscellaneous	500	500	53
Unemployment	20,000	20,000	12,097
Dental Insurance	812	812	923
Life Insurance	304	304	253
Compensation Pool	49,768	49,768	
Medical Insurance	11,824	11,824	8,718
IMRF	6,610	6,610	8,912
FICA	3,543	3,543	3,742

(Cont.)

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual (Cont.)
For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
General Government (Cont.)			
General Administration (Cont.)			
Medicare	829	829	2,493
Optional Insurance Premiums			(4,412)
Employee Deductible Reimbursement	200,000	200,000	181,218
Training			120
Meals and Per Diem			20
Convention and Meetings			10
Tuition Fee Reimbursement			559
Turks Sales Tax Rebate	18,500	18,500	11,333
Northfield Square Sales Tax Rebate	50,000	50,000	50,000
Fire Protection Assessment	1,200	1,200	
Taylor Chrysler Sales Tax Rebate	85,000	100,428	100,427
Total General Administration	<u>980,087</u>	<u>995,515</u>	<u>902,065</u>
Administrator			
Administrator Salaries	127,548	127,548	131,489
Stipends	2,406	2,406	2,406
Telephone	1,000	1,000	1,060
Auto Repair Maintenance	600	600	461
Fuel, Gas	800	800	717
Dental Insurance	812	812	923
Life Insurance	304	304	253
Medical Insurance	12,494	12,494	12,290
IMRF	15,377	15,377	15,357
FICA	7,050	7,050	7,798
Medicare	1,953	1,953	1,893
Memberships	700	700	240
Conventions and Meetings	1,000	1,000	
Training and Registration	200	200	
Travel and Lodging	700	700	
Meals and Per Diem	500	500	120
Total Administrator	<u>173,444</u>	<u>173,444</u>	<u>175,007</u>
Police and Fire Commission			
Salary - Commissioner	2,500	2,500	4,215
Overtime - Secretary	500	500	
FICA	186	186	261
Medicare	44	44	61
Membership	375	375	375
Publications	100	100	332
Recruiting	15,000	15,000	12,123
Conventions and Meetings			770
Training	300	300	240

(Cont.)

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual (Cont.)
For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
General Government (Cont.)			
Police and Fire Commission (Cont.)			
Meals and Per Diem	100	100	
Other Fees	100	100	417
Total Police and Fire Commission	19,205	19,205	18,794
Public Benefit			
Police Pension Board	600	600	800
Sidewalk Repair			(150)
Garbage	1,500	1,500	4,445
Christmas Activities	3,000	3,000	1,460
Senior Citizen Activities	1,500	1,500	5,350
Community Calendar	4,500	4,500	4,689
Metro Transit	35,000	35,000	28,277
Engineering Fees	88,500	96,500	41,217
Other Fees	20,300	20,300	1,880
Fire Pension Cost	85,451	85,451	85,451
Police Pension Cost	835,134	835,134	835,134
Equipment Repair	3,000	3,000	
Christmas Parade			2,518
Salary Summer Program	7,000	7,000	6,953
FICA	488	488	481
Medicare	117	117	113
Program Supplies	1,500	1,500	1,482
Total Public Benefit	1,087,790	1,095,790	1,020,195
Information Technology			
Salary - Information Technology	65,881	65,881	66,433
Stipends	2,011	2,011	2,011
Contract Labor	6,000	6,000	6,289
Telephone	1,900	1,900	1,527
Tech Support	800	800	776
Internet	2,800	2,800	4,588
Mileage	300	300	348
Equipment Purchase	1,000	1,000	997
Office Supplies	700	700	697
Software Maintenance	26,000	26,000	31,315
Hardware Maintenance	1,000	1,000	873
Department Projects	15,000	15,000	13,355
Software Purchase	1,000	1,000	419
Hardware Purchase	3,500	3,500	6,972
Dental Insurance	262	262	327
Life Insurance	304	304	253
Medical Insurance	6,062	6,062	5,987

(Cont.)

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual (Cont.)
For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
General Government (Cont.)			
Information Technology (Cont.)			
IMRF	7,827	7,827	7,788
FICA	4,389	4,389	4,145
Medicare	1,027	1,027	969
Training and Registration	1,500	1,500	
Meals and Per Diem	100	100	34
Miscellaneous	100	100	65
Total Communications	<u>149,463</u>	<u>149,463</u>	<u>156,168</u>
Legal			
Salary - Village Attorney	134,212	134,212	147,353
Salary - Paralegal	48,813	48,813	50,605
Stipends			4,022
Dental Insurance	1,074	1,074	1,249
Life Insurance	608	608	483
Medical Insurance	18,255	18,255	(245)
IMRF	18,864	18,864	23,387
FICA	10,076	10,076	11,262
Medicare	2,747	2,747	2,927
Legal Fees	35,000	70,000	63,400
Memberships	450	450	740
Office Supplies	2,400	2,400	907
Conventions and Meetings	8,200	8,200	1,449
Training and Registration			240
Miscellaneous	20,000	23,000	7,788
Total Legal	<u>300,699</u>	<u>338,699</u>	<u>315,567</u>
Total General Government	<u>3,004,198</u>	<u>3,065,626</u>	<u>2,845,562</u>
Public Safety			
Fire			
Salary - Department Head	108,963	108,963	110,039
Salaries - Fire	31,980	31,980	27,844
Part Time - Fire	190,000	190,000	138,462
Overtime - Support Staff			76
Stipends	13,200	13,200	14,875
Telephone	2,750	2,750	2,598
Equipment Repair	10,000	10,000	9,679
Equipment Purchase	111,034	111,034	109,742
Vehicle Repair and Maintenance	45,000	45,000	36,942
Vehicle Fuel, Gas, and Oil	16,500	16,500	11,636
Office Supplies	4,000	4,000	1,592
Office Equipment	1,000	1,000	456

(Cont.)

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual (Cont.)
For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Public Safety (Cont.)			
Fire (Cont.)			
Office Equipment Repairs and Maintenance	1,000	1,000	89
Software Maintenance	5,000	5,000	3,975
Department Projects	67,000	67,000	(30)
Postage	300	300	12
Hardware Purchase	3,600	3,600	5,860
General Supplies	2,500	2,500	2,188
Dental Insurance	6,090	6,090	6,618
Life Insurance	2,278	2,278	1,852
Medical Insurance	131,435	131,435	128,406
IMRF	15,794	15,794	(31)
FICA	21,681	21,681	12,328
Medicare	5,023	5,023	8,269
Membership	1,200	1,200	766
Publications	500	500	404
Conventions	1,000	1,000	
Tuition Reimbursement	5,000	5,000	3,367
Travel and Lodging	500	500	197
Training Materials	2,000	2,000	1,981
Training Equipment	2,500	2,500	85
Training	16,000	16,000	5,150
Travel	1,000	1,000	
Meals and Per Diem	900	900	
Equipment Testing Service	11,000	11,000	7,044
Andres Collection Fees	25,000	25,000	22,438
Other Fees	11,500	11,500	3,450
Miscellaneous	2,200	2,200	1,173
Salary - EMS	316,013	316,013	317,339
Part Time - EMS	22,000	22,000	24,952
Overtime - EMS	60,000	60,000	74,441
Longevity	8,169	8,169	6,976
Medical Payments	20,660	20,660	17,647
Uniforms	1,500	1,500	46
Uniform Cleaning	1,000	1,000	31
Total Fire	1,315,170	1,315,170	1,127,921
Police			
Salary - Department Head	317,117	317,117	342,819
Patrol, Sergeants & Clerical	2,484,756	2,424,756	2,458,933
Overtime	155,900	155,900	133,574
Stipends	87,923	87,923	82,506
Court Pay	13,000	13,000	10,170
Shift Premium	30,000	30,000	29,428

(Cont.)

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual (Cont.)
 For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Public Safety (Cont.)			
Police (Cont.)			
Dispatchers	477,562	477,562	451,228
Salary Crossing Guards	26,000	26,000	24,785
Telephone	19,000	19,000	29,976
Lead Communications	6,000	6,000	5,983
Auto Repair	60,000	60,000	58,156
Fuel, Gas	85,000	85,000	92,897
Vehicle Purchase	75,741	106,662	106,661
Auto License	1,500	1,500	1,260
Equipment Repair	5,300	5,300	2,234
Equipment Purchase	495,081	495,081	255,454
Office Supplies	20,000	20,000	16,775
Office Equipment	2,500	2,500	1,593
Office Equipment Repair	2,000	2,000	2,502
Computer Expense	8,500	8,500	8,154
Postage	1,200	1,200	1,144
Supplies	16,000	16,000	13,522
Dental Insurance	32,408	32,408	36,355
Life & Short Term Disability	14,502	14,502	11,015
Medical Insurance	673,554	673,554	673,959
IMRF	79,375	79,375	76,934
FICA	45,180	45,180	40,367
Medicare	47,318	47,318	45,389
Medical Payments	2,000	2,000	2,134
Membership	5,500	5,500	4,210
Publications	500	500	220
Training	23,000	23,000	14,781
Tuition Reimbursement			12,549
Meals and Per Diem	1,000	1,000	1,844
Shooting Range	14,000	14,000	13,971
Tobacco Enforcement	2,400	2,400	50
Animal Control Expenses	13,000	13,000	7,605
Uniforms	12,000	12,000	12,202
Other Fees	16,000	16,000	10,586
Miscellaneous	500	500	573
Community Projects	5,000	5,000	8,022
Total Police	<u>5,377,317</u>	<u>5,348,238</u>	<u>5,102,520</u>
Total Public Safety	<u>6,692,487</u>	<u>6,663,408</u>	<u>6,230,441</u>

(Cont.)

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual (Cont.)
 For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Public Works			
General			
Salary - Public Works	52,613	52,613	57,375
Salary - Part Time			5,289
Telephone	4,600	4,600	7,901
Electric	14,000	14,000	3,601
Water and Sewer	1,500	1,500	2,383
Fuel, Gas	50,000	50,000	60,112
Vehicle Purchase	28,373	28,373	28,373
Enforced Mowing			(2,200)
Office Supplies	500	500	534
Office Equipment Purchases			336
Computer Expense	2,000	2,000	1,539
Building Repairs	6,000	6,000	8,255
Dental Insurance	406	406	461
Life Insurance	152	152	127
Medical Insurance			(93)
IMRF	6,549	6,549	6,919
FICA	3,467	3,467	4,107
Medicare	811	811	960
Medical Payments			107
Exterminating	3,500	3,500	4,744
Tree Removal	5,000	5,000	5,625
Leaf Disposal	15,000	15,000	12,950
Lien Filing Fee			(437)
Stipend	3,400	3,400	3,632
Meals and Per Diem			100
Memberships	500	500	189
Convention and Meetings	1,000	1,000	313
Miscellaneous			15
Total Public Works General	199,371	199,371	213,217
Streets and Alleys			
Salary - Street and Alley	611,333	611,333	612,887
Overtime	12,000	12,000	11,460
Premium Overtime Pay	3,000	3,000	6,502
Stipends	21,950	21,950	20,968
Electric	90,000	90,000	105,258
Street Light Repairs	40,000	40,000	22,227
Auto Repair	50,000	50,000	36,064
Equipment Repair	45,000	45,000	31,678
Street Construction	16,000	16,000	
Street Maintenance	25,000	25,000	14,716
Alley Maintenance	7,500	7,500	254

(Cont.)

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual (Cont.)
For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Public Works			
Streets and Alleys (Cont.)			
Equipment Purchase	125,500	125,500	120,933
Equipment Rent	1,000	1,000	252
Disposal Ground	10,000	10,000	7,865
Gravel Sand	500	500	73
Salt	70,000	70,000	80,282
Supplies	7,000	7,000	9,625
Dental Insurance	7,279	7,279	7,764
Life Insurance	3,644	3,644	2,783
Medical Insurance	128,986	128,986	127,729
IMRF	72,627	72,627	74,153
FICA	38,833	38,833	39,316
Medicare	9,083	9,083	9,355
Training	1,000	1,000	170
Miscellaneous			1,068
Total Streets and Alleys	1,397,235	1,397,235	1,343,382
Total Public Works	1,596,606	1,596,606	1,556,599
Public Property			
Electric	800	800	619
Water	4,300	4,300	8,017
Equipment Repair	700	700	
Traffic Light Repair	28,000	28,000	25,270
Ground Maintenance	23,000	23,000	31,183
Equipment Rental	300	300	600
Building Repairs	84,500	84,500	63,350
Building and Property Improvements	618,500	618,500	154,081
Re. Tax Payments	4,000	4,000	
Supplies	13,000	13,000	18,343
Extermination	400	400	
Other Fees	2,100	2,100	
Chemical	18,000	18,000	10,863
Demolition	90,000	90,000	4,000
Total Public Property	887,750	887,750	316,326
Building Standards			
Zoning and Planning			
Salary - Zoning			200
Salary - Planning	6,500	6,500	3,965
FICA	500	500	258
Medicare	100	100	61
Total Zoning and Planning	7,100	7,100	4,484

(Cont.)

VILLAGE OF BRADLEY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual (Cont.)

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Building Standards (Cont.)			
General Building Standards			
Salary - Building Standards	97,085	97,085	75,117
Support Staff	325,588	325,588	279,219
Salary - Part Time	37,520	37,520	39,826
Overtime	1,000	1,000	3,802
Stipends	8,400	8,400	8,200
Plumbing Inspector			(828)
Electric Inspector			(828)
HVAC Inspector			(828)
Telephone	5,450	5,450	4,508
Dental Insurance	3,509	3,509	3,367
Life Insurance	2,126	2,126	1,472
Medical Insurance	73,320	73,320	55,655
IMRF	50,764	50,764	41,629
FICA	28,821	28,821	24,998
Medicare	6,742	6,742	6,006
Plan Review	2,500	2,500	
Equipment Purchases	10,000	10,000	9,361
Office Supplies	7,500	7,500	6,855
Repairs	3,000	3,000	4,378
Vehicle Fuel	2,000	2,000	2,959
Postage	150	150	53
Computer Software	1,500	1,500	
Hardware Purchase	2,000	2,000	1,837
Medical Payments	100	100	
Memberships	500	500	446
Mileage	5,500	5,500	2,668
Literature and Periodicals	750	750	
Training	5,000	5,000	926
Travel and Lodging	1,000	1,000	214
Meals and Per Diem	500	500	
Conventions and Meetings	250	250	68
Other Fees	500	500	672
Miscellaneous	500	500	19
Total General Building Standards	<u>683,575</u>	<u>683,575</u>	<u>571,771</u>
Total Building Standards	<u>690,675</u>	<u>690,675</u>	<u>576,255</u>
Employee Benefits			
Payment to VEBA	15,000	15,000	10,361
Retiree Health Insurance	2,300,000	2,300,000	2,300,000
Total Employee Benefits	<u>2,315,000</u>	<u>2,315,000</u>	<u>2,310,361</u>
Total Expenditures	<u>\$ 15,186,716</u>	<u>15,219,065</u>	<u>13,835,544</u>

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF BRADLEY, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet
April 30, 2015

	Special Revenue Funds				
	Motor Fuel Tax	Foreign Fire Insurance	Police Seizure	Cell Tower	L Power Rd. TIF
Assets					
Cash and Deposits		50,167	24,056	1,100	10,279
Investments	\$ 509,802				
Receivables	36,969				
Prepaid Expenses	17,314				
Due from Other Funds			182		
Total Assets	\$ 564,085	50,167	24,238	1,100	10,279
Liabilities					
Accounts Payable	\$				
Fund Balances					
Restricted for					
Economic Development					10,279
Street Maintenance	564,085				
Debt Service					
Capital Projects				1,100	
Public Safety		50,167	24,238		
Total Fund Balances	564,085	50,167	24,238	1,100	10,279
Total Liabilities and Fund Balances	\$ 564,085	50,167	24,238	1,100	10,279

Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
GO Bond	Capital Projects	
2,730	149,719	238,051
		509,802
	9,086	46,055
		17,314
		182
2,730	158,805	811,404
	15,203	15,203
		10,279
		564,085
2,730		2,730
	143,602	144,702
		74,405
2,730	143,602	796,201
2,730	158,805	811,404

VILLAGE OF BRADLEY, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended April 30, 2015

	Special Revenue Fund				
	Motor Fuel Tax	Foreign Fire Insurance	Police Seizure	Cell Tower	L Power Rd. TIF
Revenues:					
Property Taxes					1,830
State Taxes	\$ 408,165				
Intergovernmental	63,073	16,277			
Fines and Forfeitures			15,320		
Investment Income	87	44	36		15
Rent				1,100	
Miscellaneous			11,730		
Total Revenues	471,325	16,321	27,086	1,100	1,845
Expenditures					
Public Safety		5,838	25,437		
Public Works	429,229				
Capital Outlay					
Total Expenditures	429,229	5,838	25,437	-	-
Excess (Deficiency) of Revenues over Expenditures	42,096	10,483	1,649	1,100	1,845
Other Financing Sources					
Transfers In					
Net Change in Fund Balances	42,096	10,483	1,649	1,100	1,845
Fund Balances					
Beginning of Year	521,989	39,684	22,589		8,434
End of Year	\$ 564,085	50,167	24,238	1,100	10,279

Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
GO Bond	Capital Projects	
		1,830
	94,775	502,940
		79,350
		15,320
	243	425
		1,100
		11,730
-	95,018	612,695
		31,275
		429,229
	293,158	293,158
-	293,158	753,662
-	(198,140)	(140,967)
	166,511	166,511
-	(31,629)	25,544
2,730	175,231	770,657
2,730	143,602	796,201

NONMAJOR SPECIAL REVENUE FUNDS

VILLAGE OF BRADLEY, ILLINOIS

State Rte. 50 TIF Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual

For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 900,000	900,000	1,023,473
Investment Income	300	300	1,316
Total Revenues	<u>900,300</u>	<u>900,300</u>	<u>1,024,789</u>
Expenditures			
Current			
Community Development	765,000	765,000	299,570
Debt Service			
Principal	260,000	260,000	260,000
Interest	<u>325,740</u>	<u>325,740</u>	<u>325,740</u>
Total Expenditures	<u>1,350,740</u>	<u>1,350,740</u>	<u>885,310</u>
Net Change in Fund Balance	<u>\$ (450,440)</u>	<u>(450,440)</u>	139,479
Fund Balance			
Beginning			<u>1,414,322</u>
Ending			<u>1,553,801</u>

VILLAGE OF BRADLEY, ILLINOIS

Motor Fuel Tax Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Revenues			
State Shared Taxes	\$ 403,249	403,249	408,165
Intergovernmental Grants		63,073	63,073
Investment Income	100	100	87
Total Revenues	<u>403,349</u>	<u>466,422</u>	<u>471,325</u>
Expenditures			
Public Works			
Annual Maintenance - Contractor	350,000	368,500	389,605
Annual Maintenance - Engineer	36,500	36,500	32,485
Alley Improvements	15,000	15,000	
Road Signs	10,000	10,000	7,139
Total Expenditures	<u>411,500</u>	<u>430,000</u>	<u>429,229</u>
Net Change in Fund Balance	<u>\$ (8,151)</u>	<u>36,422</u>	42,096
Fund Balance			
Beginning			<u>521,989</u>
Ending			<u>564,085</u>

NONMAJOR CAPITAL PROJECTS FUND

VILLAGE OF BRADLEY, ILLINOIS

Capital Projects Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Revenues			
Investment Income	\$		243
State Grants	238,170	238,170	
State Taxes	65,000	65,000	94,775
Miscellaneous	745,000	745,000	
Total Revenues	<u>1,048,170</u>	<u>1,048,170</u>	<u>95,018</u>
Expenditures			
Capital Outlay			
Building Improvements	<u>1,432,713</u>	<u>1,432,713</u>	<u>293,158</u>
Excess (Deficiency) of Revenues over Expenditures	(384,543)	(384,543)	(198,140)
Other Financing Sources			
Transfers In	<u>360,000</u>	<u>360,000</u>	<u>166,511</u>
Net Change in Fund Balance	<u>\$ (24,543)</u>	<u>(24,543)</u>	<u>(31,629)</u>
Fund Balance			
Beginning			<u>175,231</u>
Ending			<u><u>143,602</u></u>

PROPRIETARY FUND TYPE

ENTERPRISE FUND

VILLAGE OF BRADLEY, ILLINOIS

Sewer Fund

Schedule of Revenues, Expenses, and Changes in Net Position -
Budget and Actual - (GAAP and Budgetary Basis)

Year Ended April 30, 2015

	Original Operating Budget	Final Operating Budget	Actual
Operating Revenues			
User Charges	\$ 1,746,667	1,746,667	1,815,446
Operating Expenses			
Salaries and Wages	354,946	354,946	312,421
Employee Benefits	148,023	148,023	130,142
Professional Fees	75,000	75,000	41,463
Materials, Repairs and Maintenance	199,088	199,088	76,229
Utilities	10,500	10,500	13,940
Depreciation	375,000	375,000	389,163
Sewer Fees	1,007,450	1,007,450	1,081,161
Other Operating Expenses	608,500	608,500	125,928
Total Operating Expenses	<u>2,778,507</u>	<u>2,778,507</u>	<u>2,170,447</u>
Operating Loss	<u>(1,031,840)</u>	<u>(1,031,840)</u>	<u>(355,001)</u>
Nonoperating Revenues (Expenses)			
Interest and Investment Income	300	300	612
Property Taxes	426,800	426,800	425,493
Tap-On Fees	60,000	60,000	41,600
Lien Shut-off Fee			2,098
Principal payments	(210,000)	(200,000)	(210,000)
Interest Expense	(216,800)	(226,800)	(213,506)
Other Income	560,000	560,000	119,383
Total Nonoperating Revenues (Expenses)	<u>620,300</u>	<u>620,300</u>	<u>165,680</u>
Change in Net Position - Budgetary Basis	<u>\$ (411,540)</u>	<u>(411,540)</u>	<u>(189,321)</u>
Reconciliation of Budget Basis Change in Net Position to GAAP Basis Change in Net Position			
Change in Net Position - Budgetary Basis	\$ (411,540)	(411,540)	(189,321)
Plus Principal Payments	210,000	200,000	210,000
Change in Net Position - GAAP Basis	<u>\$ (201,540)</u>	<u>(211,540)</u>	20,679
Net Position			
May 1			<u>2,058,376</u>
April 30			<u>2,079,055</u>

VILLAGE OF BRADLEY, ILLINOIS

Sewer Fund

Schedule of Operating Expenses - Budget and Actual

Year Ended April 30, 2015

	Original Operating Budget	Final Operating Budget	Actual
Salaries and Wages			
Salaries, Sewer Maintenance	\$ 219,189	219,189	171,406
Overtime	11,500	11,500	10,071
Wages, Support Staff	61,644	61,644	65,651
Salaries, Management	52,613	52,613	57,513
Stipend	10,000	10,000	7,780
Total Salaries and Wages	<u>354,946</u>	<u>354,946</u>	<u>312,421</u>
Employee Benefits			
Dental Insurance	4,294	4,294	4,613
Life Insurance	1,823	1,823	1,266
IMRF	39,913	39,913	35,356
FICA	21,592	21,592	18,345
Medicare	5,051	5,051	4,290
Meals and Per Diem	2,550	2,550	365
Medical Insurance	72,800	72,800	65,907
Total Employee Benefits	<u>148,023</u>	<u>148,023</u>	<u>130,142</u>
Professional Fees			
Engineering Service	70,500	70,500	36,963
Audit Fees	4,500	4,500	4,500
Total Professional Fees	<u>75,000</u>	<u>75,000</u>	<u>41,463</u>
Materials, Repairs and Maintenance			
Equipment Purchase	97,588	97,588	4,819
Equipment Rental	1,000	1,000	46
Office Supplies	2,000	2,000	1,721
Hardware Purchase	1,000	1,000	
General Supplies	9,000	9,000	7,539
Vehicle Repair and Maintenance	8,500	8,500	7,942
Equipment Repair	15,000	15,000	6,556
Sewer Main Maintenance	65,000	65,000	47,606
Total Materials, Repairs and Maintenance	<u>199,088</u>	<u>199,088</u>	<u>76,229</u>
Utilities			
Electric	8,000	8,000	10,037
Heating and Gas	1,500	1,500	3,134
Water and Sewer	1,000	1,000	769
Total Utilities	<u>10,500</u>	<u>10,500</u>	<u>13,940</u>

(Cont.)

VILLAGE OF BRADLEY, ILLINOIS

Sewer Fund

Schedule of Operating Expenses - Budget and Actual (Cont.)

Year Ended April 30, 2015

	Original Operating Budget	Final Operating Budget	Actual
Sewer Fees			
Metro Sewer Service	1,003,200	1,003,200	1,077,237
Chemicals	3,500	3,500	3,406
Gravel and Sand	750	750	518
Total Sewer Fees	<u>1,007,450</u>	<u>1,007,450</u>	<u>1,081,161</u>
Other Operating Expenses			
Telephone	2,000	2,000	2,272
J.U.L.I.E. Locates	3,000	3,000	4,453
Vehicle Fuel	7,500	7,500	5,047
Postage	22,000	22,000	22,929
Other Fees and Services	574,000	574,000	91,227
Total Other Operating Expenses	<u>608,500</u>	<u>608,500</u>	<u>125,928</u>
Depreciation and Amortization	<u>375,000</u>	<u>375,000</u>	<u>389,163</u>
Total Operating Expenses	<u>\$ 2,778,507</u>	<u>2,778,507</u>	<u>2,170,447</u>

FIDUCIARY FUND TYPE

VILLAGE OF BRADLEY, ILLINOIS

Combining Statement of Fiduciary Net Position

April 30, 2015

	Police Pension Trust Fund	Fire Pension Trust Fund	OPEB Fund	Total
Assets				
Cash and Deposits	\$ 1,163,260	130,560	2,073,844	3,367,664
Investments, at Fair Value				
Money Market Mutual Fund	26,502			26,502
Corporate Bonds	460,465	227,350		687,815
U.S. Government and Agency Obligations	3,926,185	142,977		4,069,162
Municipal Bonds		88,244		88,244
Equity Securities	3,919,581			3,919,581
Mutual Funds	4,940,900	51,150		4,992,050
Receivables				
Accrued Interest	4,208			4,208
Prepaid expenses	1,035		1,509	2,544
Total Assets	14,442,136	640,281	2,075,353	17,157,770
Liabilities				
Accounts Payable		2,023		2,023
Due to Village	1,625			1,625
Total Liabilities	1,625	2,023	-	3,648
Net Position Held in Trust for Pension and Other Post-Employment Benefits	\$ 14,440,511	638,258	2,075,353	17,154,122

VILLAGE OF BRADLEY, ILLINOIS

Combining Statement of Changes in Fiduciary Net Position

April 30, 2015

	Police Pension Trust Fund	Fire Pension Trust Fund	OPEB Fund	Total
Additions				
Contributions				
Village Contributions	\$ 835,134	85,451	2,300,000	3,220,585
Employee Contributions	243,589	32,944		276,533
	<u>1,078,723</u>	<u>118,395</u>	<u>2,300,000</u>	<u>3,497,118</u>
Investment Income				
Interest Income	147,697	18,230	737	166,664
Net Appreciation (Decrease) in Fair Value of Investments	731,843	(11,846)		719,997
Total Investment Income	<u>879,540</u>	<u>6,384</u>	<u>737</u>	<u>886,661</u>
Less Investment Expense	<u>(109,282)</u>			<u>(109,282)</u>
Net Investment Income	<u>770,258</u>	<u>6,384</u>	<u>737</u>	<u>777,379</u>
Total Additions	<u>1,848,981</u>	<u>124,779</u>	<u>2,300,737</u>	<u>4,274,497</u>
Deductions				
Administration	17,842	7,662		25,504
Benefits and Refunds	727,895		225,384	953,279
Total Deductions	<u>745,737</u>	<u>7,662</u>	<u>225,384</u>	<u>978,783</u>
Change in Net Position	1,103,244	117,117	2,075,353	3,295,714
Net Position Held in Trust for Pension and Other Post-Employment Benefits				
May 1	<u>13,337,267</u>	<u>521,141</u>		<u>13,858,408</u>
April 30	<u>\$ 14,440,511</u>	<u>638,258</u>	<u>2,075,353</u>	<u>17,154,122</u>