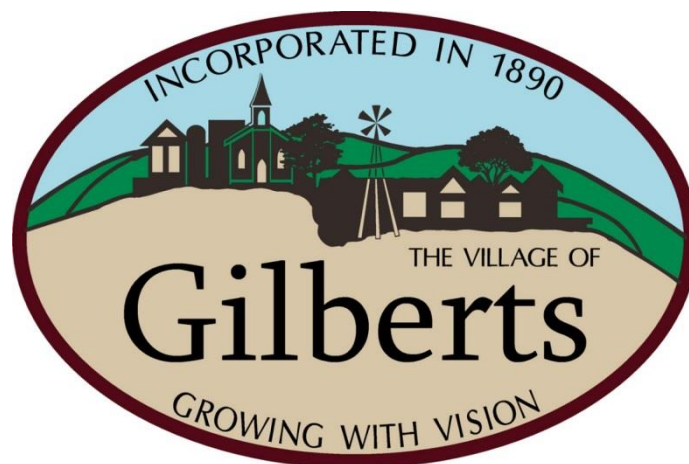


VILLAGE OF GILBERTS, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2016

VILLAGE OF GILBERTS, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2016

Prepared by:
Finance Department

VILLAGE OF GILBERTS, ILLINOIS

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VILLAGE OF GILBERTS, ILLINOIS

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INTRODUCTORY SECTION

This section includes:

- List of Principal Officials
- Organizational Chart
- Transmittal Letter
- Certificate of Achievement for Excellence in Financial Reporting

VILLAGE OF GILBERTS, ILLINOIS

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

BOARD OF TRUSTEES

Rick Zirk, President

Daniel Corbett, Jr., Trustee

Nancy Farrell, Trustee

Louis Hacker, Trustee

Elissa Kojzarek, Trustee

David LeClercq, Trustee

Guy Zambetti, Trustee

ADMINISTRATION

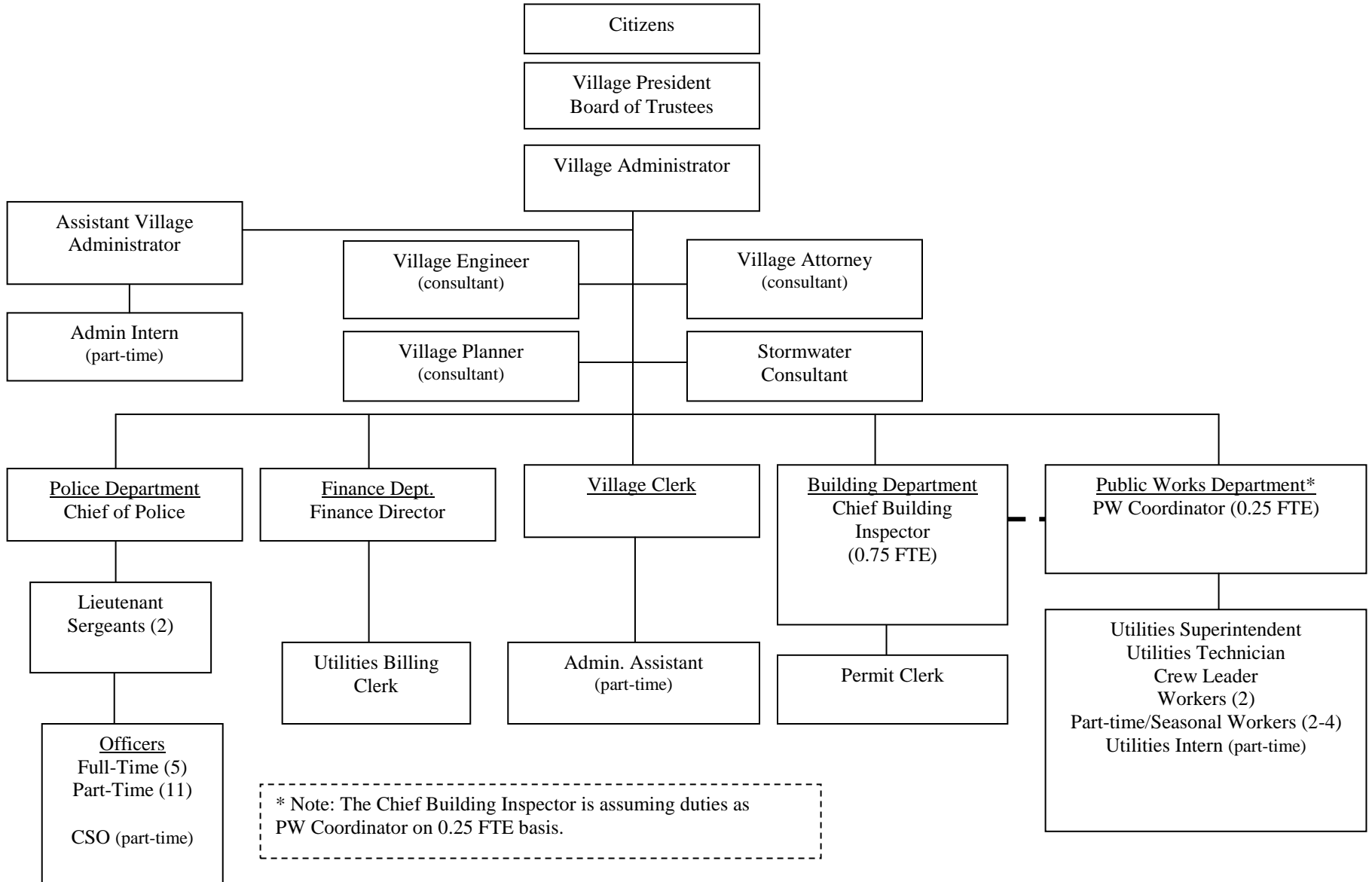
Debra Meadows, Village Clerk

Ray Keller, Village Administrator

FINANCE

Marlene Blocker, Finance Director

Village of Gilberts Organization Chart



Village of Gilberts

Village Hall

87 Galligan Road, Gilberts, Illinois 60136
Ph. 847-428-2861 Fax: 847-428-2955
www.villageofgilberts.com

June 29, 2016

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

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

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

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

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

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

Fiscal Management

Annually the Village adopts a budget that defines its legal spending authority. Departments submit requests to the Village Administrator so that a budget may be prepared. The requested budget document is prepared by fund, function, and activity. The budget is presented to the Village Board for review. The Village Board holds a public hearing and adjusts the requested budgeted amounts to reflect anticipated operations and capital spending for the delivery of services offered by the Village. The Village's budget is adopted no later than April 30th, the close of the preceding fiscal year.

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

Fiscal Report

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

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

Village Profile

The Village of Gilberts was platted in 1855 and incorporated in 1890 and has a population of 6,879 at the 2010 census. The Village is located in Kane County and governed by a Village President and Board of Trustees. The Village's policies are set by the Village President and the Village Board. The Village Administrator is responsible for implementing the policies and directives of the Village President and the Village Board.

The Village provides a full range of services. Gilberts' public safety activities include police protection and a neighborhood watch program. Public works provides street and right-of-way maintenance and repair, as well as building maintenance, and park maintenance. Water service includes a treatment plant, sanitary sewer service and a sanitation treatment plant. These functions are included in the Water and Sewer enterprise fund.

The Village also assists with various community events within the Village's departmental program budgets. These include the annual Easter Egg Hunt, Halloween Bonfire, Movies in the Park, and Community Days celebration. In addition, the Village is accountable for the Gilberts Police Pension Fund, managed by a legally separate Board, and three Special Service Areas which are administered by independent Trustees (Wells Fargo and Amalgamated Bank of Chicago).

Economic Condition and Outlook

The Village continues to maintain a tenuous financial position with slow revenue growth. This trend has been evident over the last several years and results mainly from the increased emphasis on infrastructure improvements, slow residential growth, and the lack of new revenue sources.

During the current year the Village had slight increases in property taxes and increases in Intergovernmental revenues. Telecommunication revenue again declined slightly with the decrease in residential land lines. Actual General Fund revenues exceeded final adjusted budget due to a slight increase in building related revenues.

Financial Planning and Relevant Financial Policies

During the budget cycle, the Village Board reviewed the current Fund Balance/Net Assets Policy as it pertains to Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This policy establishes a minimum level at which the projected end-of-year fund balance/net assets must observe as a result of the constraints imposed upon the resources reported. The Village Board set a fund balance target of no less than three months and no more than six months of operating expenditures. This will assist in providing available funds for any shortfalls in revenue and/or any unanticipated large expenditures. At the close of the fiscal year we were able to set aside additional monies to meet our target fund balance.

Major Initiatives

New Development

The Village has been working with a new developer to revitalize the Conservancy project, a 985 home development which was dormant due to the Neumann Bankruptcy. Phase one of the development consists of 123 single family lots. During the fiscal year 47 new home permits were issued for the Conservancy. In addition 11 permits were issued to the Ryland Town Center project.

Fiber Optic Broadband

The Village continued to develop the public/private partnership with Fosiva to create a fiber optic broadband network offering residential and commercial service to village residents and businesses. The partnership and economic development initiative was recognized with a Sparkler Award for Innovation given by Kane County.

Wide Open West (WOW)

As part of a continuing economic development initiative, WOW initiated construction of a fiber based network to provide business class internet service to underserved areas in the Old Town business area as well as the existing industrial district.

Town Center Park Improvements

During the budget cycle, the Village continued with the improvements at Town Center Park. A playground area and splash park was added for the children which opened Memorial Day weekend.

Prairie Business Park

Development continues at with plans for a new gas station opening the end of 2016. During the fiscal year the Village accepted the infrastructure improvements for Phase 1A.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Gilberts for the fiscal year ended April 30, 2015. This was the fifth consecutive year the Village received such a prestigious award.

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

In addition to the Certificate of Achievement for Excellence in Financial Reporting, the Village of Gilberts also received an award for the Popular Annual Financial Report for the fiscal year ended April 30, 2015. This was the fifth year the Village received this award also.

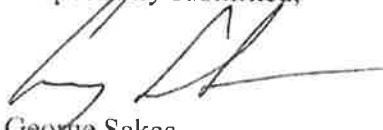
The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those government entities who publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

Acknowledgements

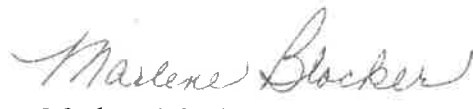
The preparation of this report, and the confidence with which it is presented, would not have been possible without the dedicated services of the Finance staff and our independent auditors Lauterbach and Amen, LLP.

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

Respectfully submitted,



George Sakas
Village Administrator



Marlene Blocker
Finance Director



Government Finance Officers Association

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

Presented to

**Village of Gilberts
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2015

Executive Director/CEO

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

June 29, 2016

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Gilberts, Illinois, as of April 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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


LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2016

Our discussion and analysis of the Village of Gilberts' financial performance provides an overview of the Village of Gilberts' financial activities for the fiscal year ended April 30, 2016. Please read it in conjunction with the Village of Gilberts' transmittal letter beginning on page iii and the financial statements, which begin on page 3.

FINANCIAL HIGHLIGHTS

- During the year, the governmental funds reported expenditures in excess of revenues by \$6,441,542 due primarily from the issuance of a tax increment revenue note in the amount of \$7,100,000 that is dedicated to the Prairie Business Park development through Interstate Partners. The General Fund reported an ending fund balance of \$3,750,917, an increase of 21.9% or \$674,059.
- Revenues for the year for business-type activities totaled \$1,387,172. Operating expenses (including depreciation) totaled \$1,697,516, resulting in a loss of \$320,321.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net position and the Statement of Activities (on pages 3 - 6) provide information about the activities of the Village of Gilberts as a whole and present a longer-term view of the Village of Gilberts' finances. Fund financial statements begin on page 7. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village of Gilberts' operation in more detail than the government-wide statements by providing information about the Village of Gilberts' most significant funds. The remaining statements provide financial information about activities for which the Village of Gilberts acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village of Gilberts' finances, in a matter similar to a private-sector business. The government-wide financial statements can be found on pages 3 - 6 of this report. The Statement of Net position reports information on all of the Village of Gilberts' assets and liabilities, with the difference between the two reported as net position.

VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2016

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements - Continued

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Gilberts is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village of Gilberts' property tax base and the condition of the Village of Gilberts' infrastructure, is needed to assess the overall health of the Village of Gilberts.

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 (e.g., uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of the Village of Gilberts that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village of Gilberts include general government, public safety, public works, and parks and recreation. The business-type activities of the Village of Gilberts include waterworks and sewerage operations.

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 of Gilberts, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Gilberts can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government'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 the comparison between governmental funds and governmental activities.

VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2016

USING THIS ANNUAL REPORT – Continued

Governmental Funds – Continued

The Village of Gilberts maintains six individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Service Area #20 Fund and Capital Project Fund, which are considered major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village of Gilberts adopts an annual appropriated budget for the General Fund. The Village also prepares a working budget to monitor day-to-day operations. The basic governmental fund financial statements can be found on pages 7 - 10 of this report. Combining and individual fund financial statements and schedules can be found on pages 56 - 73 of this report.

Proprietary Funds

The Village of Gilberts maintains only one proprietary fund, an enterprise fund. Enterprise funds are used to report the functions presented as business-type activities in the government-wide financial statements. The Village of Gilberts utilizes an enterprise fund to account for its water and wastewater utility operations. The proprietary fund financial statements provide financial information for the Utility Fund, which is considered to be a major fund of the Village of Gilberts. The basic proprietary fund financial statements can be found on pages 11 - 13 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village of Gilberts' own programs. The basis of accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 14 - 15 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 - 49 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village of Gilberts' employee pension obligations and the budgetary comparison schedule for the General Fund. Required supplementary information can be found on pages 50 - 55. The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 56 - 73 of this report.

VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2016

USING THIS ANNUAL REPORT – Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village of Gilberts, assets/deferred outflows exceeded liabilities/deferred inflows by \$62.7 million.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current & Other Assets	\$ 6,594,025	5,872,322	3,832,880	3,722,115	10,426,905	9,594,437
Capital Assets	49,028,658	45,464,543	17,333,792	17,804,680	66,362,450	63,269,223
Total Assets	55,622,683	51,336,865	21,166,672	21,526,795	76,789,355	72,863,660
Def. Outflows	1,230,308	-	15,922	-	1,246,230	-
Total Assets/ Def. Outflows	56,852,991	51,336,865	21,182,594	21,526,795	78,035,585	72,863,660
Long-Term Debt	10,853,456	2,072,858	569,506	503,402	11,422,962	2,576,260
Other Liabilities	1,668,905	1,080,233	629,133	651,825	2,298,038	1,732,058
Total Liabilities	12,522,361	3,153,091	1,198,639	1,155,227	13,721,000	4,308,318
Def. Inflows	1,595,894	1,370,216	3,145	-	1,599,039	1,370,216
Total Liabilities/ Def. Inflows	14,118,255	4,523,307	1,201,784	1,155,227	15,320,039	5,678,534
Net Position						
Net Investment in Capital Assets	42,295,178	43,154,673	16,834,144	17,282,018	59,129,322	60,436,691
Restricted	2,821,922	1,854,665	-	-	2,821,922	1,854,665
Unrestricted	(2,382,364)	1,804,220	3,146,666	3,089,550	764,302	4,893,770
Total Net Position	42,734,736	46,813,558	19,980,810	20,371,568	62,715,546	67,185,126

The Village of Gilberts' investment in capital assets (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding is the largest portion of the Village's net position at 94.3% of total net position. The Village of Gilberts uses these capital assets to provide services to citizens. Because these assets are physical improvements, they cannot be liquidated and are not available for future spending. Although the Village of Gilberts' investment in its capital assets is reported net of related debt, other sources are needed to repay outstanding debt since the capital assets themselves cannot be liquidated to cover these liabilities.

VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS – continued

An additional portion, or 4.5%, of the Village of Gilberts' net position represents resources that are subject to external restrictions on how they may be used. The remaining 1.2%, or \$764,302, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program Revenues						
Charges for Services	\$ 1,405,968	1,094,599	1,305,417	1,197,017	2,711,385	2,291,616
Capital Grants/Contributions	200,479	-	-	170,238	200,479	170,238
Operating Grants/Contributions	4,682,521	712,209	-	-	4,682,521	712,209
General Revenues						
Taxes						
Property Taxes	1,373,173	1,098,562	-	-	1,373,173	1,098,562
Utility Taxes	410,296	462,055	-	-	410,296	462,055
Intergovernmental						
Income Taxes	733,112	673,692	-	-	733,112	673,692
Replacement Taxes	341	251	-	-	341	251
Sales and Use Taxes	598,855	548,767	-	-	598,855	548,767
Other General Revenues	269,064	284,299	81,743	27,575	350,807	311,874
Total Revenues	9,673,809	4,874,434	1,387,160	1,394,830	11,060,969	6,269,264
Expenses						
General Government	9,571,335	3,269,423	-	-	9,571,335	3,269,423
Public Safety	1,674,079	1,343,362	-	-	1,674,079	1,343,362
Public Works	946,645	1,015,222	-	-	946,645	1,015,222
Parks and Recreation	46,010	14,433	-	-	46,010	14,433
Interest on Long-Term Debt	511,720	81,620	-	-	511,720	81,620
Utility	-	-	1,707,481	1,463,286	1,707,481	1,463,286
Total Expenses	12,749,789	5,724,060	1,707,481	1,463,286	14,457,270	7,187,346
Change in Net Position Before Transfers	(3,075,980)	(849,626)	(320,321)	(68,456)	(3,396,301)	(918,082)
Transfers	-	574,724	-	(574,724)	-	-
Change in Net Position	(3,075,980)	(274,902)	(320,321)	(643,180)	(3,396,301)	(918,082)
Net Position - Beginning as Restated	45,810,716	47,088,460	20,301,131	21,014,748	66,111,847	68,103,208
Net Position- Ending	42,734,736	46,813,558	19,980,810	20,371,568	62,715,546	67,185,126

The beginning net position was restated in the Governmental Activities and Business-Type Activities by (\$1,002,842) and (\$70,437), respectively, due to the implementation of GASB 68 and recording the net pension liability for IMRF and police pension.

VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Net position of the Village of Gilberts' governmental activities had a decrease from the prior year due mainly from the issuance of a tax increment revenue note in the amount of \$7,100,000 for the Prairie Business Park through Interstate Partners. Revenues for the governmental activities totaled \$9.7 million which is a 98.4% increase. Expenses for the governmental activities totaled \$12.7 million which included \$1,215,844 of depreciation expense.

Net position of the business-type activities decreased by 1.6% or \$320,321 from the prior year. Revenues for the business-type activities totaled \$1.4 million along with expenses for the business-type activities of \$1.7 million which includes \$470,888 of depreciation expense.

Revenues for the Village as a whole totaled \$11,060,969 (\$6,269,264 in the prior year), while expenses for the Village as a whole totaled \$14,457,270 (\$7,187,346 in the prior year).

Governmental Activities

Revenues for governmental activities this year were \$9,673,809. Along with the increases in several intergovernmental and tax revenues was the receipt of contributed capital in the amount of \$4,682,521 from Prairie Business Park and Town Center.

The cost of all governmental activities this year was \$12,749,789. The largest percentage of governmental expenses was to fund general government activities (75% of the \$12.7 million in total expenses for the governmental activities).

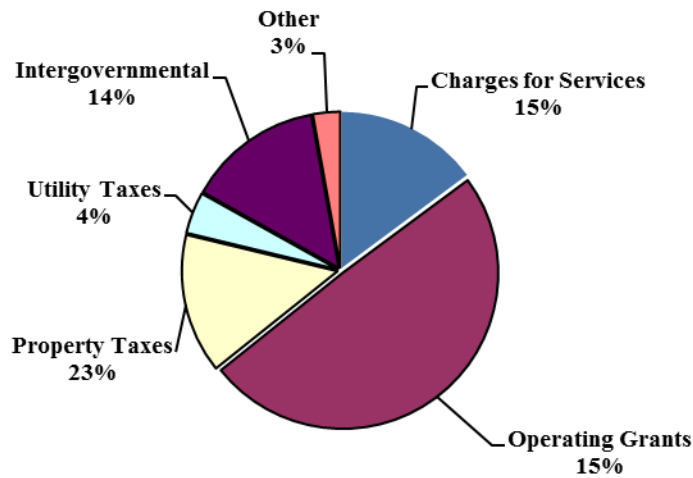
The following table graphically depicts the major revenue sources of the Village of Gilberts. The graph depicts very clearly the reliance of intergovernmental revenues, property taxes and charges for services to fund governmental activities. It also clearly identifies the smaller percentage the Village of Gilberts receives from utility taxes and other revenue sources. Except for property taxes, there was a small decline in most categories.

VILLAGE OF GILBERTS, ILLINOIS

**Management's Discussion and Analysis
April 30, 2016**

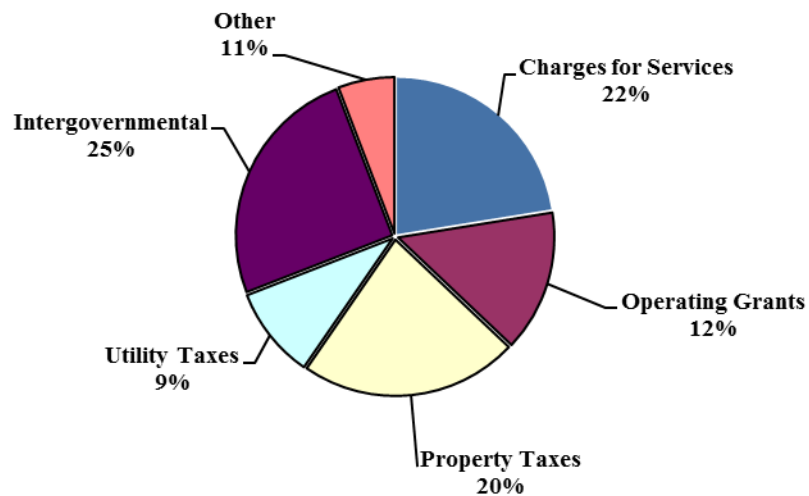
GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

**Revenues by Source - Governmental Activities
at April 30, 2016**



Property taxes increased \$274,611 from 2015 to 2016. Utility taxes, replacement taxes and other general revenues all decreased during the year. The increase in operating grants is due to contributed capital received in the amount of \$4,682,521 from Prairie Business Park.

**Revenues by Source - Governmental Activities
at April 30, 2015**



VILLAGE OF GILBERTS, ILLINOIS

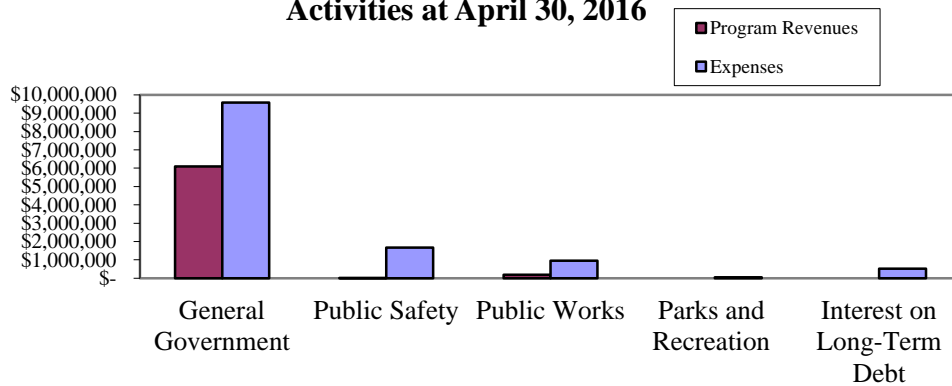
**Management’s Discussion and Analysis
April 30, 2016**

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

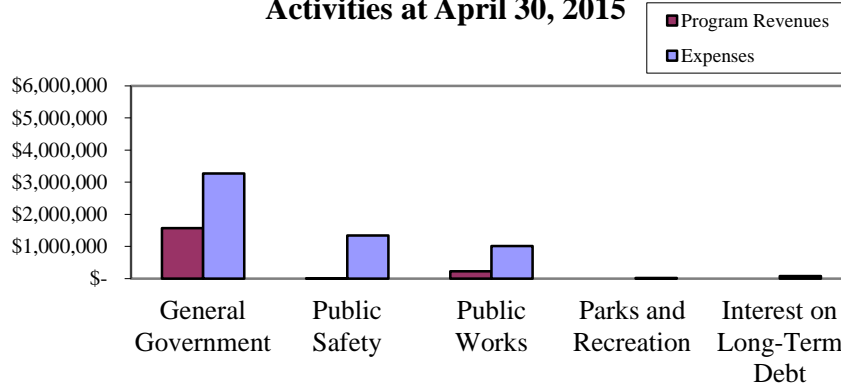
Governmental Activities – Continued

The ‘Expenses and Program Revenues’ Table identifies those governmental functions where program expenses greatly exceed revenues. For FY-16, the largest increase where expenses exceeded program revenues was in the public safety area by 99.9 percent. There were nominal changes over the two-year period in all categories except General Government.

**Expenses and Program Revenues - Governmental
Activities at April 30, 2016**



**Expenses and Program Revenues - Governmental
Activities at April 30, 2015**



VILLAGE OF GILBERTS, ILLINOIS

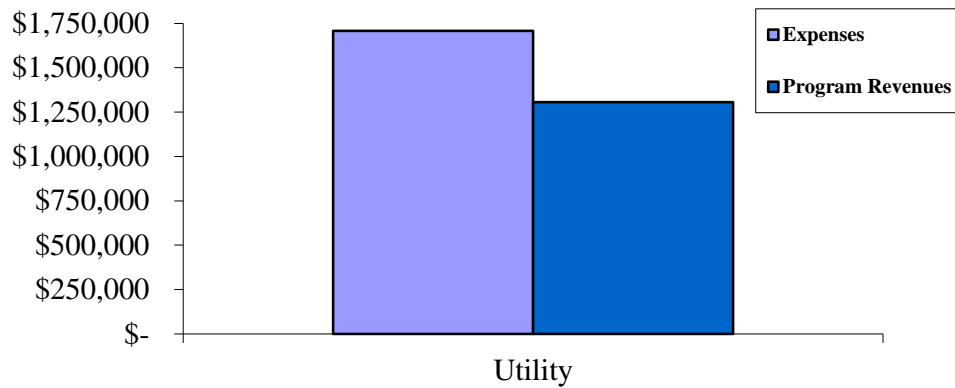
**Management’s Discussion and Analysis
April 30, 2016**

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

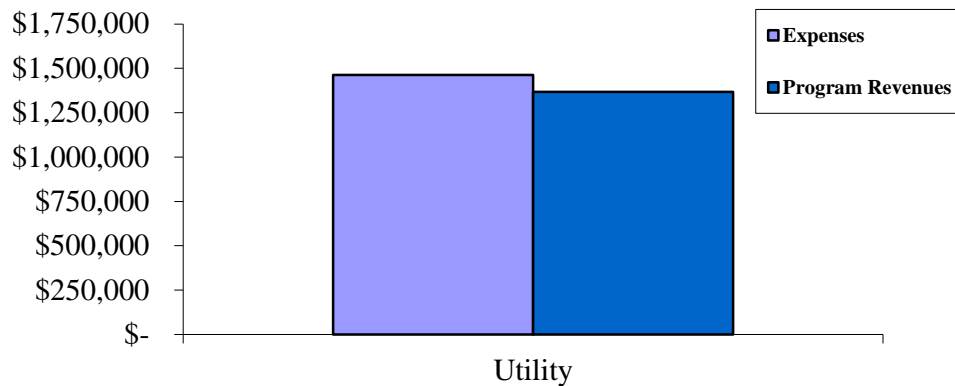
Business-Type Activities

Revenues for the business-type activities totaled \$1,387,160 for the year, while expenses totaled \$1,707,481 for the year (including depreciation expense of \$470,888). The following chart ‘Expenses and Program Revenues – Business-Type Activities’ shows expenses exceeding revenue for the business-type activities. There were no major repairs during the fiscal year. Excluding depreciation expense, revenues exceeded expenses by \$150,567.

**Expenses and Program Revenues - Business-Type Activities at
April 30, 2016**



**Expenses and Program Revenues - Business-Type Activities at
April 30, 2015**



VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2016

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds

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

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$4.4 million, which is a increase of \$0.7 million from last year's total of \$3.7 million.

The General Fund reported an ending fund balance of \$3,750,917, an increase of 21.9% or \$674,059 which included \$492,476 in capital outlay expenditures primarily due to the completion of the Old Town street project. Ending fund balance in the General Fund of \$3,750,917 represents 95.8% or approximately 11.5 months of operating expenditures.

The Village issued a tax increment revenue note for TIF#2 that is dedicated to the development of the Prairie Business Park in the amount of \$7,100,000. Payments will be made through tax increment generated by the benefited area.

Proprietary funds

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

The Village reports the Utility Fund as a major proprietary fund. This fund accounts for the provision of potable water and wastewater treatment services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

The Utility Fund net position decreased by 1.5% from the prior year or \$320,321.

VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2016

GENERAL FUND BUDGETARY HIGHLIGHTS

The Village made one amendment to the original budgeted revenues and expenditures for the General Fund to more accurately reflect the spending of the Village. General Fund actual revenues for the year totaled \$4,450,873 compared to final budgeted revenues of \$4,230,065. The major portion of the difference was due from better than anticipated collections for several state shared revenues and building permit fees.

The General Fund actual expenditures for the year were less than budgeted by \$341,590 (\$3,916,133 actual compared to \$4,257,723 final budgeted). The general government, public safety, public works, and parks and recreation functions were all lower than budgeted expenditures by \$142,727, \$58,552, \$93,457 and \$33,924, respectively, as management's awareness of budgetary constraints lead to reduced spending. The Capital Projects Fund was previously closed into the General Fund. Capital outlay expenditures were budgeted at \$505,405 for the year, with actual expenditures of \$492,476.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village of Gilberts' investment in capital assets for its governmental and business type activities as of April 30, 2016 was \$66.4 million (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements, vehicles, machinery and equipment, park facilities, roads, sidewalks, and bridges.

	Capital Assets - Net of Accumulated Depreciation					
	Governmental		Business-Type		Total	
	Activities		Activities			
	2016	2015	2016	2015	2016	2015
Land	\$ 25,584,853	25,584,853	937,200	937,200	26,522,053	26,522,053
Construction in Process	996,085	970,273	-	-	996,085	970,273
Land Improvements	452,466	487,567	-	-	452,466	487,567
Buildings	1,389,917	1,433,605	9,039,103	9,311,470	10,429,020	10,745,075
Machinery & Equipment	320,834	337,738	-	-	320,834	337,738
Infrastructure	20,284,503	16,650,507	7,357,489	7,556,010	27,641,992	24,206,517
Total	49,028,658	45,464,543	17,333,792	17,804,680	66,362,450	63,269,223

Additional information on the Village's capital assets can be found on pages 30 - 31 of this report.

VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2016

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

At year-end, the Village of Gilberts had total debt of \$2,832,532 as compared to \$2,561,687 the previous year. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Installment Notes Payable	\$ 629,423	669,015	-	-	669,015	707,383
IEPA Loan	-	-	499,648	522,662	522,662	-
General Obligation Bonds	1,421,536	1,640,855	-	-	1,640,855	1,854,304
	2,050,959	2,309,870	-	-	2,832,532	2,561,687

Additional information on the Village's debt can be found on pages 32 - 36 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village's elected and appointed officials considered many factors when setting the fiscal year 2017 budget, tax rates, and fees that will be charged for its governmental and business-type activities. One of those factors is the economy. The Village is faced with a similar economic environment as many of the other local municipalities are faced with, including inflation, unemployment rates, and a slowing residential housing market. Budgeted expenditures for 2017 are expected to decrease approximately 2.7 percent, from \$4.43 million to \$4.31 million. The Village has increased both the water and sewer rates effective May 1st to \$5.50 per thousand gallons from \$4.50 per thousand gallons. In addition new financial software will be implemented in FY-17.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Gilberts' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Office of the Finance Director, Village of Gilberts, 87 Galligan Road, Gilberts, IL 60136.

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

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

VILLAGE OF GILBERTS, ILLINOIS

Statement of Net Position
April 30, 2016

See Following Page

VILLAGE OF GILBERTS, ILLINOIS**Statement of Net Position****April 30, 2016**

	Governmental Activities	Business- Type Activities	Totals
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 4,054,788	3,051,115	7,105,903
Receivables - Net of Allowances			
Property Taxes	1,580,142	-	1,580,142
Accounts	895,417	736,235	1,631,652
Tap on Fees	-	24,555	24,555
Due from Other Governments	15,655	-	15,655
Prepays	48,023	20,975	68,998
Total Current Assets	<u>6,594,025</u>	<u>3,832,880</u>	<u>10,426,905</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	26,580,938	937,200	27,518,138
Depreciable	43,168,652	22,072,512	65,241,164
Accumulated Depreciation	(20,720,932)	(5,675,920)	(26,396,852)
Total Noncurrent Assets	<u>49,028,658</u>	<u>17,333,792</u>	<u>66,362,450</u>
Total Assets	<u>55,622,683</u>	<u>21,166,672</u>	<u>76,789,355</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	79,743	15,922	95,665
Deferred Items - Police Pension	1,150,565	-	1,150,565
Total Deferred Outflows of Resources	<u>1,230,308</u>	<u>15,922</u>	<u>1,246,230</u>
Total Assets and Deferred Outflows of Resources	<u>56,852,991</u>	<u>21,182,594</u>	<u>78,035,585</u>

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

	Governmental Activities	Business- Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 30,523	32,765	63,288
Accrued Payroll	54,022	13,018	67,040
Accrued Interest Payable	167,667	-	167,667
Other Payables	559,247	559,247	1,118,494
Current Portion of Long-Term Liabilities	857,446	24,103	881,549
Total Current Liabilities	1,668,905	629,133	2,298,038
Noncurrent Liabilities			
Compensated Absences Payable	10,559	2,571	13,130
Net Pension Liability - IMRF	454,484	90,747	545,231
Net Pension Liability - Police	2,155,960	-	2,155,960
General Obligation Bonds Payable	1,196,153	-	1,196,153
Tax Increment Revenue Note Payable	7,036,300	-	7,036,300
IEPA Loan Payable	-	476,188	476,188
Total Noncurrent Liabilities	10,853,456	569,506	11,422,962
Total Liabilities	12,522,361	1,198,639	13,721,000
DEFERRED INFLOWS OF RESOURCES			
Deferred Items - IMRF	15,752	3,145	18,897
Property Taxes	1,580,142	-	1,580,142
Total Deferred Inflows of Resources	1,595,894	3,145	1,599,039
Total Liabilities and Deferred Inflows of Resources	14,118,255	1,201,784	15,320,039
NET POSITION			
Net Investment in Capital Assets	42,295,178	16,834,144	59,129,322
Restricted - Public Safety	12,785	-	12,785
Restricted - Designated Reserves	897,361	-	897,361
Restricted - Highways and Streets	1,343,776	-	1,343,776
Restricted - Capital Projects	568,000	-	568,000
Unrestricted	(2,382,364)	3,146,666	764,302
Total Net Position	42,734,736	19,980,810	62,715,546

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

VILLAGE OF GILBERTS, ILLINOIS

Statement of Activities

For the Fiscal Year Ended April 30, 2016

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 9,571,335	1,405,678	3,805	4,682,521
Public Safety	1,674,079	290	-	-
Public Works	946,645	-	196,674	-
Parks and Recreation	46,010	-	-	-
Interest on Long-Term Debt	511,720	-	-	-
Total Governmental Activities	12,749,789	1,405,968	200,479	4,682,521
Business-Type Activities				
Utility	1,707,493	1,305,417	-	-
Total Primary Government	14,457,282	2,711,385	200,479	4,682,521

General Revenues

Taxes

 Property

 Replacement

 Utility

Intergovernmental - Unrestricted

 Income Taxes

 Sales and Use Taxes

Interest

Miscellaneous

Change in Net Position

Net Position - Beginning as Restated

Net Position - Ending

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

Net (Expenses)/Revenues		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
(3,479,331)	-	(3,479,331)
(1,673,789)	-	(1,673,789)
(749,971)	-	(749,971)
(46,010)	-	(46,010)
(511,720)	-	(511,720)
(6,460,821)	-	(6,460,821)
-	(402,076)	(402,076)
(6,460,821)	(402,076)	(6,862,897)
1,373,173	-	1,373,173
341	-	341
410,296	-	410,296
733,112	-	733,112
598,855	-	598,855
87,159	81,755	168,914
181,905	-	181,905
3,384,841	81,755	3,466,596
(3,075,980)	(320,321)	(3,396,301)
45,810,716	20,301,131	66,111,847
42,734,736	19,980,810	62,715,546

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

VILLAGE OF GILBERTS, ILLINOIS

**Balance Sheet - Governmental Funds
April 30, 2016**

	General	Capital Projects TIF #2	Nonmajor	Totals
ASSETS				
Cash and Investments	\$ 3,451,269	39,786	563,733	4,054,788
Receivables - Net of Allowances				
Property Taxes	1,045,274	464,896	69,972	1,580,142
Accounts	895,417	-	-	895,417
Due from Other Governments	-	-	15,655	15,655
Prepays	48,023	-	-	48,023
Total Assets	<u>5,439,983</u>	<u>504,682</u>	<u>649,360</u>	<u>6,594,025</u>
LIABILITIES				
Accounts Payable	30,523	-	-	30,523
Accrued Payroll	54,022	-	-	54,022
Other Payables	559,247	-	-	559,247
Total Liabilities	<u>643,792</u>	<u>-</u>	<u>-</u>	<u>643,792</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	1,045,274	464,896	69,972	1,580,142
Total Liabilities and Deferred Inflows of Resources	<u>1,689,066</u>	<u>464,896</u>	<u>69,972</u>	<u>2,223,934</u>
FUND BALANCES				
Nonspendable	48,023	-	-	48,023
Restricted	2,202,748	39,786	579,388	2,821,922
Unassigned	1,500,146	-	-	1,500,146
Total Fund Balances	<u>3,750,917</u>	<u>39,786</u>	<u>579,388</u>	<u>4,370,091</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>5,439,983</u>	<u>504,682</u>	<u>649,360</u>	<u>6,594,025</u>

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

VILLAGE OF GILBERTS, ILLINOIS

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

April 30, 2016

Total Governmental Fund Balances \$ 4,370,091

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. 49,028,658

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

 Deferred Items - IMRF 63,991

 Deferred Items - Police Pension 1,150,565

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

 Compensated Absences Payable (13,199)

 Net Pension Liability - IMRF (454,484)

 Net Pension Liability - Police (2,155,960)

 General Obligation Bonds Payable (1,421,536)

 Tax Increment Revenue Note Payable (7,036,300)

 Installment Notes Payable (629,423)

 Accrued Interest Payable (167,667)

Net Position of Governmental Activities 42,734,736

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

VILLAGE OF GILBERTS, ILLINOIS

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

	General	Capital Projects TIF #2	Nonmajor	Totals
Revenues				
Taxes	\$ 1,441,312	310,177	31,980	1,783,469
Licenses, Permits and Fees	161,056	-	-	161,056
Intergovernmental	1,336,113	-	196,674	1,532,787
Charges for Services	1,183,907	-	-	1,183,907
Fines and Forfeits	61,005	-	-	61,005
Interest	85,575	589	995	87,159
Miscellaneous	181,905	-	-	181,905
Total Revenues	4,450,873	310,766	229,649	4,991,288
Expenditures				
Current				
General Government	887,583	7,100,292	1,038	7,988,913
Public Safety	1,255,078	-	-	1,255,078
Public Works	898,011	-	-	898,011
Parks and Recreation	46,010	-	-	46,010
Capital Outlay	492,476	-	61,954	554,430
Debt Service				
Principal Retirement	258,911	63,700	-	322,611
Interest and Fiscal Charges	78,064	289,713	-	367,777
Total Expenditures	3,916,133	7,453,705	62,992	11,432,830
Excess (Deficiency) of Revenues Over (Under) Expenditures	534,740	(7,142,939)	166,657	(6,441,542)
Other Financing Sources (Uses)				
Disposal of Capital Assets	3,978	-	-	3,978
Debt Issuance	-	7,100,000	-	7,100,000
Transfers In	135,341	-	-	135,341
Transfers Out	-	-	(135,341)	(135,341)
	139,319	7,100,000	(135,341)	7,103,978
Net Change in Fund Balances	674,059	(42,939)	31,316	662,436
Fund Balances - Beginning	3,076,858	82,725	548,072	3,707,655
Fund Balances - Ending	3,750,917	39,786	579,388	4,370,091

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

VILLAGE OF GILBERTS, ILLINOIS

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

For the Fiscal Year Ended April 30, 2016

Net Change in Fund Balances - Total Governmental Funds	\$ 662,436
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Amounts reported for governmental activities in the Statement of Activities
are different because:

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

Capital Outlays	4,779,959
Depreciation Expense	(1,215,844)
Disposals - Cost	(43,758)
Disposals - Accumulated Depreciation	43,758

The net effect of deferred outflows (inflows) of resources related to the pensions
not reported in the funds.

Change in Deferred Items - IMRF	(9,101)
Change in Deferred Items - Police Pension	1,033,524

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

Deductions to Compensated Absences Payable	2,577
Additions to Net Pension Liability - IMRF	(28,625)
Additions to Net Pension Liability - Police	(1,379,574)
Issuance of Debt	(7,100,000)
Retirement of Debt	322,611

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

(143,943)

Changes in Net Position of Governmental Activities

(3,075,980)

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

VILLAGE OF GILBERTS, ILLINOIS

**Statement of Net Position - Proprietary Fund
April 30, 2016**

	Business-Type Activities <u>Utility</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 3,051,115
Receivables - Net of Allowances	
Accounts - Customer	736,235
Tap on Fees - Old Town	24,555
Prepays	20,975
Total Current Assets	<u>3,832,880</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	937,200
Depreciable	22,072,512
Accumulated Depreciation	<u>(5,675,920)</u>
Total Noncurrent Assets	<u>17,333,792</u>
Total Assets	21,166,672
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>15,922</u>
Total Assets/ Deferred Outflows of Resources	<u>21,182,594</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	32,765
Accrued Payroll	13,018
Other Payables	559,247
Compensated Absences	643
IEPA Loan Payable	23,460
Total Current Liabilities	<u>629,133</u>
Noncurrent Liabilities	
Compensated Absences	2,571
Net Pension Liability - IMRF	90,747
IEPA Loan Payable	476,188
Total Noncurrent Liabilities	<u>569,506</u>
Total Liabilities	1,198,639
DEFERRED INFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>3,145</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,201,784</u>
NET POSITION	
Net Investment in Capital Assets	16,834,144
Unrestricted	<u>3,146,666</u>
Total Net Position	<u>19,980,810</u>

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

VILLAGE OF GILBERTS, ILLINOIS

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

	<u>Business-Type Activities Utility</u>
Operating Revenues	
Charges for Services	\$ 1,262,301
Sales of Water Meters	28,169
Other Operating Revenues	464
Total Operating Revenues	<u>1,290,934</u>
Operating Expenses	
Operations	
Water	715,549
Wastewater	511,079
Depreciation	470,888
Total Operating Expenses	<u>1,697,516</u>
Operating Income (Loss)	<u>(406,582)</u>
Nonoperating Revenues (Expenses)	
Interest Income	81,755
Tap-On Fees	14,483
Interest Expense	(9,977)
	<u>86,261</u>
Change in Net Position	(320,321)
Net Position - Beginning	<u>20,301,131</u>
Net Position - Ending	<u><u>19,980,810</u></u>

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

VILLAGE OF GILBERTS, ILLINOIS

**Statement of Cash Flows - Proprietary Fund
For the Fiscal Year Ended April 30, 2016**

	Business-Type Activities
	<u>Utility</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 1,353,149
Payments to Suppliers	(951,440)
Payments to Employees	(270,236)
	<u>131,473</u>
Cash Flows from Capital and Related Financing Activities	
Interest on Installment Loan	(9,977)
Principal Paid on Installment Loan	(23,014)
	<u>(32,991)</u>
Cash Flows from Investing Activities	
Interest Received	<u>81,755</u>
Net Change in Cash and Cash Equivalents	180,237
Cash and Cash Equivalents - Beginning	<u>2,870,878</u>
Cash and Cash Equivalents - Ending	<u><u>3,051,115</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(406,582)
Adjustments to Reconcile Operating Income Income to Net Cash Provided by (Used in) Operating Activities:	
Other Income (Expense)	14,483
Depreciation Expense	470,888
(Increase) Decrease in Current Assets	47,732
Increase (Decrease) in Current Liabilities	4,952
	<u>4,952</u>
Net Cash Provided by Operating Activities	<u><u>131,473</u></u>

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

VILLAGE OF GILBERTS, ILLINOIS

Statement of Fiduciary Net Position

April 30, 2016

	Police Pension Trust	Agency
ASSETS		
Cash and Cash Equivalents	\$ 455,512	3,552,093
Investments		
U.S. Government and Agency Securities	588,530	-
Corporate Bonds	591,256	-
Mutual Funds	186,551	-
Receivables - Net of Allowances		
Accrued Interest	<u>9,442</u>	<u>-</u>
Total Assets	<u>1,831,291</u>	<u>3,552,093</u>
LIABILITIES		
Deposits Payable	-	263,289
Due to Other Governments	-	16,930
Due to Bondholders	<u>-</u>	<u>3,271,874</u>
Total Liabilities	<u>-</u>	<u>3,552,093</u>
NET POSITION		
Net Position Restricted for Pensions	<u>1,831,291</u>	

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

VILLAGE OF GILBERTS, ILLINOIS

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

	<u>Police Pension Trust</u>
Additions	
Contributions - Employer	\$ 117,040
Contributions - Plan Members	<u>52,985</u>
Total Contributions	<u>170,025</u>
Investment Income	
Interest Earned	38,093
Net Change in Fair Value	<u>(15,611)</u>
	22,482
Less Investment Expenses	<u>(8,954)</u>
Net Investment Income	<u>13,528</u>
Total Additions	183,553
Deductions	
Administration	<u>8,099</u>
Change in Fiduciary Net Position	175,454
Net Position Restricted for Pensions	
Beginning	<u>1,655,837</u>
Ending	<u><u>1,831,291</u></u>

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

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Gilberts (Village), Illinois, incorporated in 1890, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police safety, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, water and sanitation, and general administrative services.

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

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

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

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary (position currently not filled) and three elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's police, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's water and wastewater treatment services are classified as business-type activities.

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

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

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements

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

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

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

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

Governmental Funds

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

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

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one nonmajor special revenue fund, the Motor Fuel Tax Fund.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains one major capital projects fund, the TIF #2, which is used to account for activities associated with the redevelopment within the Tax Increment Financing District #2. The Village also maintains one nonmajor capital project fund, the TIF #1 Fund.

Proprietary Funds

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

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

The Village maintains one major enterprise fund, the Utility Fund, which is used to account for the provision of water and wastewater treatment services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

Fiduciary Funds

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

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds – Continued

Agency funds are used to account for assets held by the Village in a purely custodial capacity. The Performance Bond Fund is used to account for refundable deposits held by the Village to ensure the completion of public improvements by private developers. The Special Services Area #9 Fund is used to account for debt service payments made by property holders relative to Special Service Area Bonds issued. The Special Services Area #15 Fund is used to account for debt service payments made by property holders relative to Special Service Area Bonds issued. The Special Services Area #24 Fund is used to account for debt service payments made by property holders relative to Special Service Area Bonds issued.

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

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

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

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

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

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

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

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

Basis of Accounting

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70.

A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

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

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

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Cash and Investments

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

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Receivables

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

Interfund Receivables, Payables and Activity

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

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Prepays

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

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

Land Improvements	15 - 20 Years
Buildings and Structures	10 - 45 Years
Machinery and Equipment	3 - 30 Years
Infrastructure	20 - 50 Years

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Deferred Outflows/Inflows of Resources

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

Long-Term Obligations

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

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

Net Position

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

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

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

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

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. The level of control where expenditures may not exceed the budget is the fund level of activity. All annual budgets lapse at fiscal year end.

All departments of the Village submit requests for budgets to the Finance Department 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 governing body for review. The governing body holds public hearings and may add to, subtract from, or change budgeted amounts, but may not change the form of the budget.

The governing body is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, supplementary appropriations were necessary.

The Village does not adopt an annual budget for the following funds: The Motor Fuel Tax Fund, the TIF #1 Capital Projects Fund, the TIF #2 Capital Projects Fund, and the Police Pension Fund.

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

Permitted Deposits and Investments – Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans, life insurance company contracts, money market mutual funds and common and preferred stocks.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

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

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

Deposits and Investments. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$4,552,630 and the bank balances totaled \$4,573,080. In addition, the Village has \$2,553,273 invested in the Illinois Funds at year-end.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. The maturity of the Village's investments in the Illinois Funds is less than one year.

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 external investment pools. At year-end, the Village's investment in the Illinois Funds 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 deposits may not be returned to it. The Village's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, with the collateral held by the Village, an independent third-party, or the Federal Reserve Bank in the Village's name. At year-end, the entire bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy does not address this risk. To limit its exposure, the Village 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 an independent third-party custodian and evidenced by safekeeping receipts and a written custodial agreement. At year-end, the Village's investment in the Illinois Funds is not subject to custodial credit risk.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy requires diversification of investments to avoid unreasonable risk. Furthermore, concentration in short-term corporation obligations will not exceed 90% of the limit contained in Illinois law. At year-end, the Village's investments in the Illinois Funds represent more than 5% of the total cash and investments portfolio.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Deposits. At year-end, the carrying amount of the Police Pension Fund's deposits totaled \$455,512 and the bank balances totaled \$455,512.

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasuries	\$ 497,924	115,519	304,100	78,305	-
U.S. Agencies	90,606	-	90,606	-	-
Corporate Bonds	591,256	80,249	282,474	228,533	-
	<u>1,179,786</u>	<u>195,768</u>	<u>677,180</u>	<u>306,838</u>	<u>-</u>

Interest Rate Risk. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

Credit Risk. The Fund limits its exposure to credit risk by primarily investing in U.S. Treasuries and Agencies and equity mutual funds. At year-end, the funds invested in U.S. Agency Securities are not rated and the Corporate Bonds are rated AA- to BBB+ by Moody's.

Custodial Credit Risk. The Fund's investment policy does not limit custodial credit risk for deposits. At year-end, the entire bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For investments, the Fund's investment policy 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 an independent third-party custodian and evidenced by safekeeping receipts.

Concentration Credit Risk. The Fund's investment policy requires diversification of investment to avoid unreasonable risk but does not establish specific maximum portfolio percentages. Specifically, the fund's investment policy states the following target asset allocation guidelines shall be followed: equities at 10%, fixed income securities at 85% and cash at 5%. At year end, the Fund's investments are within range of the target allocations described above. In addition to the securities and fair values listed above, the Fund also has \$186,551 invested in mutual funds.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

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

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	85%	0% - 2%
Equities	10%	6% - 8%
Cash and Cash Equivalents	0%	0.0%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 50%. Securities in any one company should not exceed 5% of the total fund.

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

Rate of Return

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 0.77%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2015 attach as an enforceable lien on January 1 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Kane County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 25,584,853	-	-	25,584,853
Construction in Progress	970,273	25,812	-	996,085
	<u>26,555,126</u>	<u>25,812</u>	<u>-</u>	<u>26,580,938</u>
Depreciable Capital Assets				
Land Improvements	994,407	-	-	994,407
Buildings and Structure	2,184,371	-	-	2,184,371
Machinery and Equipment	1,390,333	71,627	43,758	1,418,202
Infrastructure	33,889,152	4,682,520	-	38,571,672
	<u>38,458,263</u>	<u>4,754,147</u>	<u>43,758</u>	<u>43,168,652</u>
Less Accumulated Depreciation				
Land Improvements	506,840	35,101	-	541,941
Buildings and Structure	750,766	43,688	-	794,454
Machinery and Equipment	1,052,595	88,531	43,758	1,097,368
Infrastructure	17,238,645	1,048,524	-	18,287,169
	<u>19,548,846</u>	<u>1,215,844</u>	<u>43,758</u>	<u>20,720,932</u>
Total Net Depreciable Capital Assets	<u>18,909,417</u>	<u>3,538,303</u>	<u>-</u>	<u>22,447,720</u>
Total Net Capital Assets	<u>45,464,543</u>	<u>3,564,115</u>	<u>-</u>	<u>49,028,658</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 1,094,259
Public Safety	48,634
Public Works	<u>72,951</u>
	<u>1,215,844</u>

VILLAGE OF GILBERTS, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 937,200	-	-	937,200
Depreciable Capital Assets				
Buildings and Structure	12,146,477	-	-	12,146,477
Infrastructure	9,926,035	-	-	9,926,035
	<u>22,072,512</u>	-	-	<u>22,072,512</u>
Less Accumulated Depreciation				
Buildings and Structure	2,835,007	272,367	-	3,107,374
Infrastructure	2,370,025	198,521	-	2,568,546
	<u>5,205,032</u>	<u>470,888</u>	-	<u>5,675,920</u>
Total Net Depreciable Capital Assets	<u>16,867,480</u>	<u>(470,888)</u>	-	<u>16,396,592</u>
Total Net Capital Assets	<u>17,804,680</u>	<u>(470,888)</u>	-	<u>17,333,792</u>

Depreciation expense was charged to business-type as follows:

Utility	<u>\$ 470,888</u>
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INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Nonmajor Governmental	<u>\$ 135,341</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

VILLAGE OF GILBERTS, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Alternate Revenue Source Bonds

The Village issues bonds to provide funds for the acquisition and construction of major capital facilities. General obligation alternate revenue source bonds provide for the collection, segregation and distribution of certain income taxes received by the Village for the payment of principal and interest on the alternate revenue source bonds. General obligation alternate revenue source bonds outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$356,656 Taxable General Obligation Alternate Revenue Source Bonds of 2010 - Due in annual installments of \$32,262 to \$41,592 plus interest of 1.15% to 4.80% through December 15, 2020.	General	\$ 225,855	-	34,319	191,536
\$1,975,000 General Obligation Alternate Revenue Source Bonds of 2011 - Due in annual installments of \$175,000 to \$225,000 plus interest of 2.00% to 4.00% through December 1, 2021.	General	1,415,000	-	185,000	1,230,000
		1,640,855	-	219,319	1,421,536

Tax Increment Revenue Notes

The Village issued a tax increment revenue note that is dedicated to the development of the Prairie Business Park through Interstate Partners. The notes will be repaid only from the tax increment generated by the applicable tax increment financing district, therefore no repayment schedule is available. Tax increment revenue notes currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$7,100,000 Tax Increment Revenue Note A of 2014 - Due in annual installments equal to 90% of incremental property taxes received plus interest of 5.00% through November 1, 2034.	TIF #2	\$ -	7,100,000	63,700	7,036,300

VILLAGE OF GILBERTS, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Notes Payable

The Village enters into installment notes to provide funds for the acquisition of capital assets. Installment notes currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$697,939 Installment Note Payable of 2012 - Due in annual installments of \$5,157 to \$610,849 plus interest at 3.25% through January 9, 2017.	General	\$ 632,375	-	21,565	610,810
\$71,000 Installment Note Payable of 2012A - Due in annual installments of \$19,236 including interest at 3.25% through October 9, 2016.	General	36,640	-	18,027	18,613
		<u>669,015</u>	<u>-</u>	<u>39,592</u>	<u>629,423</u>

Illinois Environmental Protection Agency (IEPA) Loans Payable

The Village has entered into loan agreements with the IEPA to provide low interest financing for drinking water improvements. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA (L17-4866) Loan Payable of 2014 - due in semi-annual installments of \$16,495 including interest at 1.93% through April 10, 2034.	Utility	\$ 522,662	-	23,014	499,648

VILLAGE OF GILBERTS, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity

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

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 15,776	2,577	5,154	13,199	2,640
Net Pension Liability - IMRF	425,859	28,625	-	454,484	-
Net Pension Liability - Police	776,386	1,379,574	-	2,155,960	-
General Obligation Bonds	1,640,855	-	219,319	1,421,536	225,383
Tax Increment Revenue					
Note Payable	-	7,100,000	63,700	7,036,300	-
Installment Notes Payable	669,015	-	39,592	629,423	629,423
	<u>3,527,891</u>	<u>8,510,776</u>	<u>327,765</u>	<u>11,710,902</u>	<u>857,446</u>
Business-Type Activities					
Compensated Absences	4,693	1,479	2,958	3,214	643
Net Pension Liability - IMRF	85,031	5,716	-	90,747	-
IEPA Loan Payable	522,662	-	23,014	499,648	23,460
	<u>612,386</u>	<u>7,195</u>	<u>25,972</u>	<u>593,609</u>	<u>24,103</u>

For governmental activities, the General Fund makes payments on the compensated absences, the net pension liability, the general obligation bonds, and the installment notes payable. The TIF #2 Fund makes payments on the tax increment revenue note payable.

For business-type activities, the Utility Fund makes payments on the compensated absences, the net pension liability, and the IEPA loan payable.

VILLAGE OF GILBERTS, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

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

Fiscal Year	Governmental Activities				Business-Type Activities	
	General Obligation Bonds		Installment Notes		Installment Notes	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 225,383	50,605	629,423	15,597	23,460	9,531
2018	231,657	44,582	-	-	23,915	9,075
2019	238,123	37,266	-	-	24,379	8,611
2020	244,781	29,606	-	-	24,852	8,139
2021	256,592	19,596	-	-	25,334	7,657
2022	225,000	9,000	-	-	25,826	7,166
2023	-	-	-	-	26,326	6,665
2024	-	-	-	-	26,836	6,155
2025	-	-	-	-	27,357	5,634
2026	-	-	-	-	27,887	5,104
2027	-	-	-	-	28,428	4,563
2028	-	-	-	-	28,979	4,011
2029	-	-	-	-	29,542	3,450
2030	-	-	-	-	30,114	2,876
2031	-	-	-	-	30,698	2,292
2032	-	-	-	-	31,294	1,697
2033	-	-	-	-	31,901	1,090
2034	-	-	-	-	32,520	471
Totals	<u>1,421,536</u>	<u>190,655</u>	<u>629,423</u>	<u>15,597</u>	<u>499,648</u>	<u>94,187</u>

Noncommitment Debt

Special Service Area Bonds

Special service area bonds outstanding as of the date of this report totaled \$36,628,000. These bonds are not an obligation of the Village and are secured by the levy of annual tax on the real property within the special service area. The Village is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax, and forwarding the collections to bondholders. Special service area bonds outstanding are comprised of the following as of April 30, 2016:

Special Service Area #9	\$ 16,545,000
Special Service Area #15	10,995,000
Special Service Area #24	<u>9,088,000</u>
	<u><u>36,628,000</u></u>

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

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

	<u>\$ 169,844,554</u>
Legal Debt Limit - 8.625% of Assessed Value	14,649,093
Amount of Debt Applicable to Limit	<u>629,423</u>
Legal Debt Margin	<u>14,019,670</u>

NET POSITION/ FUND BALANCE

Net Position Classifications

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

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 49,028,658
Plus Unspent Bond Proceeds	2,353,779
Less Capital Related Debt:	
Taxable General Obligation ARS Bonds of 2010	(191,536)
General Obligation ARS Bonds of 2011	(1,230,000)
Tax Increment Revenue Note of 2014	(7,036,300)
Installment Note Payable of 2012	(610,810)
Installment Note Payable of 2012A	<u>(18,613)</u>
Net Investment in Capital Assets	<u>42,295,178</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	17,333,792
Less Capital Related Debt:	
IEPA Loan Payable of 2014	<u>(499,648)</u>
Net Investment in Capital Assets	<u>16,834,144</u>

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/ FUND BALANCE – Continued

Fund Balance Classifications

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

	General	<u>Capital Projects</u> TIF #2	Nonmajor	Totals
Fund Balances				
Nonspendable				
Prepays	\$ 48,023	-	-	48,023
Restricted				
Drug Forfeiture	12,785	-	-	12,785
Designated Reserves	897,361	-	-	897,361
Highways and Streets				
Road Improvement	773,636	-	570,140	1,343,776
Capital Projects	518,966	39,786	9,248	568,000
	<u>2,202,748</u>	<u>39,786</u>	<u>579,388</u>	<u>2,821,922</u>
Unassigned	1,500,146	-	-	1,500,146
Total Fund Balances	<u>3,750,917</u>	<u>39,786</u>	<u>579,388</u>	<u>4,370,091</u>

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

Minimum Fund Balance Policy. The Village’s policy manual states that the General Fund should maintain a minimum unrestricted fund balance equal to no less than three months and no more than six months of budgeted operating expenditures. Fund balances in excess of said levels may be transferred to other funds or the capital projects at the discretion of the Board.

Net Position Restatements

Net position was restated due to the implementation of GASB Statement No. 68. The following is a summary of the net position as originally reported and as restated:

Net Position	As Reported	As Restated	(Decrease)
Governmental Activities	\$ 46,813,558	45,810,716	(1,002,842)
Business-Type Activities	20,371,568	20,301,131	(70,437)

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; employee health; and injuries to the Village's employees. In order to protect against these risks, the Village is a member of the Intergovernmental Personnel Benefit Cooperative (IPBC) and also purchases private insurance.

Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums. The Village enrolled in IPBC beginning April 1, 2014. Settlements did not exceed insurance coverage in any of the past three fiscal years.

CONTINGENT LIABILITIES

Litigation

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

Grants

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

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Sheriff's Law Enforcement Personnel Fund (SLEP), which is administered by the IMRF, and the Police Pension Plan that is a single-employer pension plan. Separate, audited GAAP-basis financial statements for the Police Pension Plan can be obtained by writing the Village at 87 Galligan Road, Gilberts, Illinois 60136. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at www.imrf.org. The benefit, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement (IMRF)

Plan Descriptions

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

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

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

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

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

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement (IMRF) – Continued

Plan Descriptions – Continued

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

Inactive Plan Members Currently Receiving Benefits	6
Inactive Plan Members Entitled to but not yet Receiving Benefits	6
Active Plan Members	<u>14</u>
Total	<u><u>26</u></u>

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2015 was 11.57% of covered payroll.

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

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

Actuarial Valuation Date	12/31/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.46%
Salary Increases	3.75% to 14.50%
Cost of Living Adjustments	2.75%
Inflation	2.75%

VILLAGE OF GILBERTS, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement (IMRF) – Continued

Plan Descriptions – Continued

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

Discount Rate

A Single Discount Rate of 7.46% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.46%.

Discount Rate Sensitivity

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.46%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.46%)	Current Discount Rate (7.46%)	1% Increase (8.46%)
Net Pension Liability	\$ 800,325	545,231	336,027

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 1,603,868	1,092,978	510,890
Changes for the Year:			
Service Cost	81,971	-	81,971
Interest on the Total Pension Liability	120,854	-	120,854
Difference Between Expected and Actual Experience of the Total Pension Liability	(23,388)	-	(23,388)
Changes of Assumptions	-	-	-
Contributions - Employer	-	87,686	(87,686)
Contributions - Employees	-	34,104	(34,104)
Net Investment Income	-	5,645	(5,645)
Benefit Payments, including Refunds of Employee Contributions	(49,643)	(49,643)	-
Other (Net Transfer)	-	17,661	(17,661)
Net Changes	129,794	95,453	34,341
Balances at December 31, 2015	1,733,662	1,188,431	545,231

VILLAGE OF GILBERTS, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement (IMRF) – Continued

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

For the year ended April 30, 2016, the Village recognized pension expense of \$45,259. At April 30, 2016, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(18,897)	(18,897)
Change in Assumptions	-	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	63,757	-	63,757
Pension Contributions Made Subsequent to the Measurement Date	31,908	-	31,908
Total Deferred Amounts Related to IMRF	<u>95,665</u>	<u>(18,897)</u>	<u>76,768</u>

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

Fiscal Year	Net Deferred Outflows (Inflows) of Resources
2017	\$ 43,356
2018	11,448
2019	11,448
2020	11,449
2021	(933)
Thereafter	<u>-</u>
Total	<u>76,768</u>

VILLAGE OF GILBERTS, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

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

Inactive Plan Members Currently Receiving Benefits	-
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	<u>7</u>
Total	<u><u>8</u></u>

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

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police 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 percent of ½ of the change in the Consumer Price Index for the preceding calendar year.

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2016, the Village's contribution was 21.89% of covered payroll.

Concentrations. At year end, the Pension Plan has no investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

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

Actuarial Valuation Date	4/30/16
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	5.00%
Salary Increases	4.00% - 6.52%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the assumption study prepared by Lauterbach & Amen, LLP in 2015. The table combines observed experience of Illinois Police Officers with the RP-2014 mortality table for blue collar workers.

Discount Rate

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

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Discount Rate Sensitivity

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

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Net Pension Liability	\$ 2,966,152	2,155,960	1,517,244

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2015	\$ 2,432,223	1,655,837	776,386
Changes for the Year:			
Service Cost	219,498	-	219,498
Interest on the Total Pension Liability	121,611	-	121,611
Difference Between Expected and Actual Experience of the Total Pension Liability	55,076	-	55,076
Changes of Assumptions	1,158,843	-	1,158,843
Contributions - Employer	-	117,040	(117,040)
Contributions - Employees	-	52,985	(52,985)
Net Investment Income	-	13,528	(13,528)
Benefit Payments, including Refunds of Employee Contributions	-	-	-
Other (Net Transfer)	-	(8,099)	8,099
Net Changes	1,555,028	175,454	1,379,574
Balances at April 30, 2016	3,987,251	1,831,291	2,155,960

VILLAGE OF GILBERTS, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

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

For the year ended April 30, 2016, the Village recognized pension expense of \$346,050. At April 30, 2016, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 49,540	-	49,540
Change in Assumptions	1,042,376	-	1,042,376
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	58,649	-	58,649
Total Deferred Amounts Related to Police Pension	<u>1,150,565</u>	-	<u>1,150,565</u>

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

Fiscal Year	Net Deferred Outflows of Resources
2017	\$ 136,666
2018	136,666
2019	136,666
2020	136,663
2021	122,003
Thereafter	<u>481,901</u>
Total	<u>1,150,565</u>

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Village has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Village are required to pay 100% of the current premium. However, no former employees have chosen to stay in the Village's health insurance plan. Therefore, there has been 0% utilization and, therefore, no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. Additionally, the Village had no former employees for which the Village was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the Village has not recorded any post-employment benefit liability as of April 30, 2016.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule of Employer Contributions
 Illinois Municipal Retirement Fund
 Police Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability
 Illinois Municipal Retirement Fund
 Police Pension Fund
- Schedule of Investment Returns
 Police Pension Fund
- Budgetary Comparison Schedule
 General Fund

Notes to the Required Supplementary Information

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

VILLAGE OF GILBERTS, ILLINOIS

Illinois Municipal Retirement Fund

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

December 31,	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	\$ 87,686	\$ 87,686	\$ -	\$ 757,867	11.57%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	December 31, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	28 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	3.00%
Salary Increases	4.40% - 16.00%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2000 Combined Healthy Mortality Table

Notes:

The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

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

VILLAGE OF GILBERTS, ILLINOIS

Police Pension Fund

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

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 113,747	\$ 113,747	\$ -	\$ 504,182	22.56%
2016	117,040	117,040	-	534,657	21.89%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	April 30, 2016
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	24 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	4.00% - 6.52%
Investment Rate of Return	5.00%
Retirement Age	L&A 2016 Illinois Police Retirement Rates Capped at age 65
Mortality	L&A 2016 Illinois Police Mortality Rates

Notes:

The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

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

VILLAGE OF GILBERTS, ILLINOIS

Illinois Municipal Retirement Fund

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

	December 31, 2015
Total Pension Liability	
Service Cost	\$ 81,971
Interest	120,854
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	(23,388)
Change of Assumptions	-
Benefit Payments, Including Refunds of Member Contributions	<u>(49,643)</u>
Net Change in Total Pension Liability	129,794
Total Pension Liability - Beginning	<u>1,603,868</u>
Total Pension Liability - Ending	<u><u>1,733,662</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 87,686
Contributions - Members	34,104
Net Investment Income	5,645
Benefit Payments, Including Refunds of Member Contributions	(49,643)
Other (Net Transfer)	<u>17,661</u>
Net Change in Plan Fiduciary Net Position	95,453
Plan Net Position - Beginning	<u>1,092,978</u>
Plan Net Position - Ending	<u><u>1,188,431</u></u>
Employer's Net Pension Liability	<u><u>\$ 545,231</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.55%
Covered-Employee Payroll	\$ 757,867
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	71.94%

Note:

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

VILLAGE OF GILBERTS, ILLINOIS

Police Pension Fund

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

	2015	2016
Total Pension Liability		
Service Cost	\$ 150,500	219,498
Interest	148,353	121,611
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	(133,722)	55,076
Change of Assumptions	164,527	1,158,843
Benefit Payments, Including Refunds of Member Contributions	(33,536)	-
Net Change in Total Pension Liability	296,122	1,555,028
Total Pension Liability - Beginning	2,136,101	2,432,223
Total Pension Liability - Ending	2,432,223	3,987,251
Plan Fiduciary Net Position		
Contributions - Employer	\$ 113,747	117,040
Contributions - Members	49,223	52,985
Net Investment Income	28,068	13,528
Benefit Payments, Including Refunds of Member Contributions	(33,536)	-
Administrative Expense	(8,476)	(8,099)
Net Change in Plan Fiduciary Net Position	149,026	175,454
Plan Net Position - Beginning	1,506,811	1,655,837
Plan Net Position - Ending	1,655,837	1,831,291
Employer's Net Pension Liability	\$ 776,386	2,155,960
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.08%	45.93%
Covered-Employee Payroll	\$ 504,182	534,657
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	153.99%	403.24%

Note:

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

VILLAGE OF GILBERTS, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
April 30, 2016**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	1.80%
2016	0.77%

Note:

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

VILLAGE OF GILBERTS, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 1,479,226	1,449,421	1,441,312
Licenses, Permits and Fees	77,030	138,735	161,056
Intergovernmental	1,186,674	1,272,080	1,336,113
Charges for Services	947,873	1,124,593	1,183,907
Fines and Forfeits	76,200	66,520	61,005
Interest	2,650	4,141	85,575
Miscellaneous	61,275	174,575	181,905
Total Revenues	<u>3,830,928</u>	<u>4,230,065</u>	<u>4,450,873</u>
Expenditures			
General Government	1,010,310	1,030,310	887,583
Public Safety	1,314,237	1,313,630	1,255,078
Public Works	987,668	991,468	898,011
Parks and Recreation	79,934	79,934	46,010
Capital Outlay	825,171	505,405	492,476
Debt Service			
Principal Retirement	258,903	258,903	258,911
Interest and Fiscal Charges	78,073	78,073	78,064
Total Expenditures	<u>4,554,296</u>	<u>4,257,723</u>	<u>3,916,133</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(723,368)</u>	<u>(27,658)</u>	<u>534,740</u>
Other Financing Sources (Uses)			
Disposal of Capital Assets	-	3,978	3,978
Transfers In	968,039	599,103	135,341
Transfers Out	(162,125)	(174,125)	-
	<u>805,914</u>	<u>428,956</u>	<u>139,319</u>
Net Change in Fund Balance	<u>82,546</u>	<u>401,298</u>	674,059
Fund Balance - Beginning			<u>3,076,858</u>
Fund Balance - Ending			<u><u>3,750,917</u></u>

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison and Individual Fund Schedules – Major Governmental Funds
 - General Fund
 - TIF #2 – Capital Projects Fund
- Combining Statements – Nonmajor Governmental Funds
- Individual Fund Schedules – Nonmajor Governmental Funds
 - Motor Fuel Tax – Special Revenue Fund
 - TIF #1 – Capital Projects Fund
- Budgetary Comparison Schedules – Enterprise Funds
 - Utility Fund
- Combining Statement of Changes in Assets and Liabilities – Agency Funds

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for state shared motor fuel tax revenues that are legally restricted to maintenance and construction of streets, sidewalks, alleys and traffic signals.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for all resources used for the acquisition of capital assets by the Village, except those financed by Proprietary and Trust Funds, including general and infrastructure capital assets.

TIF #1 Fund

The TIF #1 Fund is used to account for activities associated with improvements within the Tax Increment Financing District #1.

TIF #2 Fund

The TIF #2 Fund is used to account for activities associated with the redevelopment within the Tax Increment Financing District #2.

ENTERPRISE FUNDS

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUNDS - Continued

Utility Fund

The Utility Fund is used to account for the provision of water and wastewater treatment services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

TRUST AND AGENCY FUNDS

PENSION TRUST FUNDS

Police Pension Fund

Pension Trust Funds are set up for the purpose of accounting for money received from nonenterprise fund sources and held by a governmental unit in the capacity of trustee for individuals, entities and nonpublic organizations.

AGENCY FUNDS

Performance Bond Fund

The Performance Bond Fund is used to account for refundable deposits held by the Village to ensure the completion of public improvements by private developers.

Special Services Area #9 Fund

The Special Services Area #9 Fund is used to account for debt service payments made by property holders relative to Special Service Area Bonds issued.

Special Services Area #15 Fund

The Special Services Area #15 Fund is used to account for debt service payments made by property holders relative to Special Service Area Bonds issued.

Special Services Area #24 Fund

The Special Services Area #24 Fund is used to account for debt service payments made by property holders relative to Special Service Area Bonds issued.

VILLAGE OF GILBERTS, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Taxes			
Property - General	\$ 1,005,555	1,024,211	1,024,211
Property - Road and Bridge	6,751	6,710	6,805
Utility - Communications	184,920	166,500	162,007
Utility - Gas	105,000	75,000	73,123
Utility - Electric	177,000	177,000	175,166
Total Taxes	1,479,226	1,449,421	1,441,312
Licenses, Permits and Fees			
Liquor Licenses	14,000	11,400	11,400
Business Licenses	1,800	1,600	1,600
Pulltabs and Jar Games License	1,000	1,000	-
Recycling	2,500	2,500	5,000
Vacant Building Registration	1,000	1,800	1,800
Raffle	50	100	100
Food Vendor Registration	-	150	150
Oversize Vehicle	2,500	2,200	2,380
Building Permits	37,890	74,000	84,306
Building Permits - Developer	10,290	37,985	46,280
ZBA/Planning Commission Hearings	-	-	1,000
Contractor Permits	6,000	6,000	7,040
Total Licenses, Permits and Fees	77,030	138,735	161,056
Intergovernmental			
State Income Tax	681,021	700,000	733,112
Replacement Tax	200	275	341
State Sales and Use Tax	505,453	568,000	598,855
Grants	-	3,805	3,805
Total Intergovernmental	1,186,674	1,272,080	1,336,113

VILLAGE OF GILBERTS, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Charges for Services			
Cable Franchise Fees	\$ 74,000	82,000	84,734
Refuse Removal Services	753,517	769,717	785,105
Police Reports	200	300	290
Impact Fees	72,936	225,156	263,138
Antenna Rental	46,620	46,620	49,725
Pavilion Rental	600	800	915
Total Charges for Services	947,873	1,124,593	1,183,907
Fines and Forfeitures			
Fines - Court	47,000	33,600	37,050
Police Enhanced DUI	28,000	28,000	18,914
Other	1,200	4,920	5,041
Total Fines and Forfeitures	76,200	66,520	61,005
Interest			
Investment Income	2,650	4,141	85,575
Miscellaneous			
Miscellaneous Income	61,275	174,575	181,905
Total Revenues	3,830,928	4,230,065	4,450,873

VILLAGE OF GILBERTS, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
General Government			
Administration			
Wages - Board	\$ 24,000	24,000	24,000
Wages - PC and ZBA	3,600	2,000	950
Wages - General	284,999	279,999	269,599
Wages - Overtime	250	250	-
Unemployment	6,000	3,500	2,755
IMRF	33,003	33,003	30,762
FICA	19,397	19,397	17,866
Medicare	4,536	4,536	4,179
Health Insurance	40,788	26,851	19,955
Operating Expenditures	3,000	3,200	3,376
Dues and Subscriptions	8,822	8,000	7,481
Legal Notices	1,990	2,700	2,482
Communications	7,260	8,000	8,054
Postage	4,230	4,230	4,072
Printing	11,400	11,400	7,870
Community Donations	15,000	13,000	4,558
Publications	210	210	-
Equipment Rental	5,574	5,574	5,427
Office Supplies	3,000	3,000	2,729
Legal - Litigation	25,000	25,000	1,755
Legal - Administration	52,500	52,500	46,535
Accounting Services	23,270	23,270	18,655
Storm Water Management	30,000	31,290	31,190
Bank Services	25	25	25
Liability Insurance	11,567	11,567	10,542
Vehicle and Equipment Insurance	4,931	4,931	4,421
Property Insurance	2,264	3,001	2,313
Workers' Compensation	4,048	4,370	3,734
Engineering Services	61,340	60,050	26,483
Gasoline and Oil	2,000	2,000	1,283
Safety/Personal Equipment	250	250	-
Maintenance - Vehicles	500	700	598
Maintenance - Equipment	750	750	498
Maintenance - Building	4,900	6,900	5,443
Contractual Services	34,900	39,900	33,064

VILLAGE OF GILBERTS, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Administration - Continued			
Meals and Entertainment	\$ 3,000	3,700	3,711
Village Planner Services	32,870	32,870	-
Training	8,000	8,000	4,128
Special Projects	16,250	16,400	12,469
Utility Tax	624	724	657
Reimbursed Expenditures	30,000	45,000	60,055
	<u>826,048</u>	<u>826,048</u>	<u>683,674</u>
Building			
Wages - General	115,266	107,954	109,811
Wages - Overtime	200	200	-
IMRF	13,359	13,359	12,856
FICA	7,159	7,159	6,495
Medicare	1,674	1,674	1,519
Health Insurance	13,973	13,469	12,886
Operating Expenditures	300	300	-
Dues and Subscriptions	450	450	310
Communications	216	720	720
Printing	500	500	33
Publications and Brochures	150	150	-
Office Supplies	2,500	2,500	2,007
Building Permits	4,000	4,000	3,291
Building Permits - Developer	15,000	35,000	39,585
Gasoline and Oil	1,500	1,500	890
Maintenance - Vehicles	1,000	1,000	362
Leasing	3,000	3,000	3,000
Uniforms	400	400	-
Contractual Services	2,365	9,677	10,144
Training	1,250	1,250	-
	<u>184,262</u>	<u>204,262</u>	<u>203,909</u>
Total General Government	<u>1,010,310</u>	<u>1,030,310</u>	<u>887,583</u>

VILLAGE OF GILBERTS, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Public Safety			
Police			
Wages - General	\$ 716,805	750,000	752,346
Wages - Overtime	35,104	29,233	15,049
IMRF	14,337	14,337	14,075
FICA	46,619	48,313	46,222
Medicare	10,903	11,299	10,810
Health Insurance	118,085	90,000	96,869
Pension Contributions	117,040	117,040	117,040
Operating Expenditures	2,800	2,300	1,589
Dues and Subscriptions	2,500	3,100	3,108
Legal Notices	-	50	50
Communications	8,370	8,600	8,459
Postage	500	500	479
Printing	500	400	255
Publications and Brochures	110	110	-
Small Tools and Equipment	600	600	469
Equipment Rental	2,616	2,616	2,464
Office Supplies	3,000	3,000	1,551
Legal Services	4,100	4,100	3,730
Dispatching	63,300	63,300	63,257
Insurance - Liability	4,752	4,752	4,132
Insurance - Vehicle	6,521	7,255	6,198
Insurance - Property	748	748	650
Insurance - Workers' Compensation	23,453	19,603	19,734
Gasoline and Oil	38,000	38,000	22,304
Maintenance - Vehicles	20,000	20,000	18,592
Maintenance - Equipment	2,500	2,800	2,950
Maintenance - Building	4,000	4,600	4,524
Uniforms	7,500	7,500	8,566
Contractual Services	22,124	22,124	14,578
DARE Community Relations	300	300	353
Training	8,250	8,250	3,742
Public Safety/Homeland Security	500	500	-
Drug/DUI Education and Awareness	28,000	28,000	10,933
Peer Jury Contributions	300	300	-
Total Public Safety	1,314,237	1,313,630	1,255,078

VILLAGE OF GILBERTS, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Public Works			
Wages - Regular	\$ 126,674	126,674	122,212
Wages - Overtime	8,783	8,783	6,709
IMRF	15,672	15,672	12,227
FICA	8,398	8,398	7,611
Medicare	1,964	1,964	1,780
Health Insurance	27,108	25,158	25,139
Operating Expenditures	1,500	750	547
Dues and Subscriptions	250	250	179
Legal Notices	100	-	-
Communications	2,760	2,920	2,830
Small Tools and Equipment	6,000	6,000	5,148
Equipment Rental	1,500	1,500	672
NPDES Fees	1,000	1,000	1,000
Street Lights	45,414	40,000	35,246
Liability Insurance	3,856	3,409	3,353
Vehicle and Equipment Insurance	1,635	2,082	1,642
Property Insurance	592	592	515
Workers' Compensation	12,458	12,458	10,549
73 Industrial - Upgrades	2,600	2,600	33
Gasoline and Oil	15,000	12,000	10,000
Maintenance - Vehicles	11,000	16,000	11,039
Maintenance - Equipment	6,000	12,000	9,953
Maintenance - Building	8,000	8,000	4,504
Maintenance - Streets	5,000	9,000	6,842
Maintenance - Grounds	3,500	4,000	3,175
Contractual Services	16,312	11,666	8,667
Snow Plowing and Salt	54,900	54,900	35,439
Uniforms	1,500	1,500	658
Refuse Disposal	590,592	594,592	567,252
Training	1,300	1,300	-
Minor Projects	6,300	6,300	3,090
Total Public Works	987,668	991,468	898,011

VILLAGE OF GILBERTS, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Parks and Recreation			
Wages - Regular	\$ 6,961	6,961	6,893
Wages - Overtime	300	300	-
IMRF	840	840	172
FICA	450	450	422
Medicare	106	106	99
Utilities	4,700	4,700	2,735
Equipment Rental	2,500	2,500	-
Maintenance Supplies	1,600	1,600	1,411
Property Insurance	305	305	265
Gasoline and Oil	1,300	1,300	489
Maintenance - Sports and Playground Equipment	5,000	5,000	2,534
Maintenance - Equipment	5,000	5,000	1,035
Maintenance - Grounds	40,000	40,000	26,261
Contractual Services	10,872	10,872	3,694
Total Parks and Recreation	79,934	79,934	46,010
Capital Outlay			
General Government			
Administration - Capital Equipment	5,000	5,000	1,236
Public Safety			
Capital Equipment	32,282	32,889	32,889
Public Works			
Projects	761,139	407,739	412,546
Parks and Recreation			
Park Projects	26,750	59,777	45,805
Total Capital Outlay	825,171	505,405	492,476
Debt Service			
Principal Retirement	258,903	258,903	258,911
Interest and Fiscal Charges	78,073	78,073	78,064
Total Debt Service	336,976	336,976	336,975
Total Expenditures	4,554,296	4,257,723	3,916,133

VILLAGE OF GILBERTS, ILLINOIS

TIF #2 - Capital Projects Fund

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

	<u>Actual</u>
Revenues	
Taxes	
Property	\$ 310,177
Interest	589
Total Revenues	<u>310,766</u>
Expenditures	
General Government	
Contractual Services	
Developer Contribution	7,100,000
Legal Services	292
Debt Service	
Principal Retirement	63,700
Interest and Fiscal Charges	289,713
Total Expenditures	<u>7,453,705</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,142,939)
Other Financing Sources	
Debt Issuance	<u>7,100,000</u>
Net Change in Fund Balance	(42,939)
Fund Balance - Beginning	<u>82,725</u>
Fund Balance - Ending	<u><u>39,786</u></u>

VILLAGE OF GILBERTS, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

April 30, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	
	Motor Fuel Tax	TIF #1	Totals
ASSETS			
Cash and Investments	\$ 554,485	9,248	563,733
Receivables - Net of Allowances			
Property Taxes	-	69,972	69,972
Due from Other Governments	15,655	-	15,655
Total Assets	<u>570,140</u>	<u>79,220</u>	<u>649,360</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	-	69,972	69,972
FUND BALANCES			
Restricted - Highways and Streets	570,140	-	570,140
Restricted - Capital Projects	-	9,248	9,248
Total Fund Balances	<u>570,140</u>	<u>9,248</u>	<u>579,388</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>570,140</u>	<u>79,220</u>	<u>649,360</u>

VILLAGE OF GILBERTS, ILLINOIS

Nonmajor Governmental Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2016**

	Special Revenue	Capital Projects	
	Motor Fuel Tax	TIF #1	Totals
Revenues			
Taxes	\$ -	31,980	31,980
Intergovernmental	196,674	-	196,674
Interest	848	147	995
Total Revenues	<u>197,522</u>	<u>32,127</u>	<u>229,649</u>
Expenditures			
General Government	-	1,038	1,038
Capital Outlay	-	61,954	61,954
Total Expenditures	<u>-</u>	<u>62,992</u>	<u>62,992</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	197,522	(30,865)	166,657
Other Financing (Uses) Transfers Out	<u>(135,341)</u>	-	<u>(135,341)</u>
Net Change in Fund Balances	62,181	(30,865)	31,316
Fund Balances - Beginning	<u>507,959</u>	<u>40,113</u>	<u>548,072</u>
Fund Balances - Ending	<u><u>570,140</u></u>	<u><u>9,248</u></u>	<u><u>579,388</u></u>

VILLAGE OF GILBERTS, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

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

	<u>Actual</u>
Revenues	
Intergovernmental	\$ 196,674
Interest	848
Total Revenues	<u>197,522</u>
Expenditures	
Capital Outlay	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	197,522
Other Financing (Uses)	
Transfers Out	<u>(135,341)</u>
Net Change in Fund Balance	62,181
Fund Balance - Beginning	<u>507,959</u>
Fund Balance - Ending	<u><u>570,140</u></u>

VILLAGE OF GILBERTS, ILLINOIS

TIF #1 - Capital Projects Fund

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

	<u>Actual</u>
Revenues	
Taxes	
Property	\$ 31,980
Interest	147
Total Revenues	<u>32,127</u>
Expenditures	
General Government	
Contractual Services	
Legal Services	1,038
Capital Outlay	61,954
Total Expenditures	<u>62,992</u>
Net Change in Fund Balance	(30,865)
Fund Balance - Beginning	<u>40,113</u>
Fund Balance - Ending	<u><u>9,248</u></u>

VILLAGE OF GILBERTS, ILLINOIS

Utility - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,175,000	1,279,454	1,262,301
Sales of Water Meters	3,000	26,000	28,169
Other Operating Revenues	500	500	464
Total Operating Revenues	<u>1,178,500</u>	<u>1,305,954</u>	<u>1,290,934</u>
Operating Expenses			
Operations			
Water	873,009	870,815	715,549
Wastewater	678,071	666,285	511,079
Total Operating Expenses	<u>1,551,080</u>	<u>1,537,100</u>	<u>1,226,628</u>
Operating Income (Loss)	<u>(372,580)</u>	<u>(231,146)</u>	<u>64,306</u>
Nonoperating Revenues (Expenses)			
Interest Income	11,520	10,500	81,755
Tap-On Fees	-	13,500	14,483
Interest Expense	-	-	(9,977)
	<u>11,520</u>	<u>24,000</u>	<u>86,261</u>
Budgetary Net Income (Loss) Before GAAP Item	<u>(361,060)</u>	<u>(207,146)</u>	150,567
GAAP Item - Depreciation			<u>(470,888)</u>
Change in Net Position			(320,321)
Net Position - Beginning as Restated			<u>20,301,131</u>
Net Position - Ending			<u><u>19,980,810</u></u>

VILLAGE OF GILBERTS, ILLINOIS

Utility - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Operations			
Water			
Legal	\$ 3,000	3,000	1,170
Operating Expenses	26,840	29,440	31,922
Dues	900	900	711
Utilities - Indian Trails	4,160	4,160	3,137
Com Ed - 320 Raymond	94,900	94,900	92,750
Com Ed - Elevated Tank	2,852	2,852	2,132
Nicor - 320 Raymond	3,094	1,200	1,099
Phone - 320 Raymond	1,560	1,560	1,609
Maintenance Repairs	10,000	10,000	7,059
Maintenance - Equipment	2,500	2,000	235
Maintenance - Hydrant	3,000	3,000	74
Chemicals	40,000	35,000	29,414
Supplies	7,500	8,000	6,252
Small Tools	3,500	3,500	1,083
Liability Insurance	2,472	2,472	2,150
Property Insurance	10,426	10,426	9,066
Workers Compensation Insurance	6,176	6,176	4,381
Engineering Services	15,000	15,000	1,105
Contractual Services	232,623	232,623	183,305
Water Meters	72,900	83,000	82,017
Testing	7,000	13,000	10,269
Training Expense	3,500	3,500	784
Water Distribution Systems	20,000	20,000	6,145
Brine Hauling	50,000	50,000	43,109
Wages	158,620	158,620	139,085
Fringe Benefits	75,486	61,486	54,160
Capital Equipment	15,000	15,000	1,326
Total Water	873,009	870,815	715,549

VILLAGE OF GILBERTS, ILLINOIS

Utility - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Operations - Continued			
Wastewater			
Operating Expenses	\$ 34,340	43,100	38,218
Nicor - Valencia Lift Station	438	350	633
Com Ed - Silver Trail	4,394	4,394	3,849
Com Ed - TT#9 Lift Station	3,120	2,900	2,378
Com Ed - 281 Raymond	115,031	115,031	100,371
Com Ed - Barancik	3,250	2,500	2,318
Com Ed - Glacial Falls Lift Station	-	650	587
NPDES II Fees	17,500	17,500	17,500
Com Ed - Valencia Lift Station	2,730	2,730	2,238
Nicor - Silver Trail	1,248	1,100	1,040
Nicor - 281 Raymond	1,875	1,500	1,442
Nicor - 91 Meadows Lift Station	1,150	1,150	1,123
Phone - Silver Trail	480	550	535
Phone - 281 Raymond	1,320	1,320	1,311
Phone - Barancik	345	360	351
Chemicals	40,000	40,000	29,580
Supplies	10,500	10,800	5,306
Small Tools	3,500	3,500	767
Maintenance Repairs	10,000	10,000	5,377
Maintenance - Equipment	12,650	12,650	1,139
Sludge Hauling/Special Permits	27,000	21,000	20,748
Liability Insurance	2,472	2,472	2,150
Property Insurance	12,559	12,559	7,281
Workers Compensation Insurance	5,404	5,404	1,837
Wastewater Collection Systems	35,000	35,000	21,203
Wastewater Engineering Services	15,000	15,000	-
Contractual Services	22,158	22,158	17,165
Lab Testing	42,000	42,000	37,452
Training Expense	3,500	3,500	1,002
Wages	158,620	158,620	131,151

VILLAGE OF GILBERTS, ILLINOIS

Utility - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Operations - Continued			
Wastewater - Continued			
Fringe Benefits	\$ 75,487	61,487	53,701
Capital Equipment	15,000	15,000	1,326
Total Wastewater	678,071	666,285	511,079
Total Operations	1,551,080	1,537,100	1,226,628

VILLAGE OF GILBERTS, ILLINOIS

Agency Funds

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

See Following Page

VILLAGE OF GILBERTS, ILLINOIS

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

	Beginning Balances	Additions	Deductions	Ending Balances
All Funds				
ASSETS				
Cash and Investments	\$ 4,492,651	103,442	1,044,000	3,552,093
LIABILITIES				
Deposits Payable	292,075	-	28,786	263,289
Due to Other Governments	66,864	-	49,934	16,930
Due to Bondholders	4,133,712	103,442	965,280	3,271,874
Total Liabilities	4,492,651	103,442	1,044,000	3,552,093
Performance Bond Fund				
ASSETS				
Cash and Investments	358,939	-	78,720	280,219
LIABILITIES				
Deposits Payable	292,075	-	28,786	263,289
Due to Other Governments	66,864	-	49,934	16,930
Total Liabilities	358,939	-	78,720	280,219
Special Service Area #9 Fund				
ASSETS				
Cash and Investments	2,933,810	-	965,280	1,968,530
LIABILITIES				
Due to Bondholders	2,933,810	-	965,280	1,968,530

	Beginning Balances	Additions	Deductions	Ending Balances
Special Service Area #15 Fund				
ASSETS				
Cash and Investments	\$ 1,099,225	10,850	-	1,110,075
LIABILITIES				
Due to Bondholders	1,099,225	10,850	-	1,110,075
Special Service Area #24 Fund				
ASSETS				
Cash and Investments	100,677	92,592	-	193,269
LIABILITIES				
Due to Bondholders	100,677	92,592	-	193,269

SUPPLEMENTAL SCHEDULES

VILLAGE OF GILBERTS, ILLINOIS

Schedule of Long-Term Debt Requirements

**Taxable General Obligation Alternate Revenue Source Bonds of 2010
April 30, 2016**

Date of Issue	December 29, 2010
Date of Maturity	December 15, 2020
Authorized Issue	\$356,656
Denomination of Bonds	\$5,000
Interest Rates	1.15% - 4.80%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Kane County

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 15	Amount	Dec. 15	Amount
2017	\$ 35,383	8,205	43,588	2016	4,103	2016	4,102
2018	36,657	6,932	43,589	2017	3,466	2017	3,466
2019	38,123	5,466	43,589	2018	2,733	2018	2,733
2020	39,781	3,806	43,587	2019	1,903	2019	1,903
2021	41,592	1,996	43,588	2020	998	2020	998
	<u>191,536</u>	<u>26,405</u>	<u>217,941</u>		<u>13,203</u>		<u>13,202</u>

VILLAGE OF GILBERTS, ILLINOIS

Schedule of Long-Term Debt Requirements

**General Obligation Alternate Revenue Source Bonds of 2011
April 30, 2016**

Date of Issue	August 15, 2011
Date of Maturity	December 1, 2021
Authorized Issue	\$1,975,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2017	\$ 190,000	42,400	232,400	2016	21,200	2016	21,200
2018	195,000	37,650	232,650	2017	18,825	2017	18,825
2019	200,000	31,800	231,800	2018	15,900	2018	15,900
2020	205,000	25,800	230,800	2019	12,900	2019	12,900
2021	215,000	17,600	232,600	2020	8,800	2020	8,800
2022	225,000	9,000	234,000	2021	4,500	2021	4,500
	<u>1,230,000</u>	<u>164,250</u>	<u>1,394,250</u>		<u>82,125</u>		<u>82,125</u>

VILLAGE OF GILBERTS, ILLINOIS

Schedule of Long-Term Debt Requirements

**Installment Note Payable of 2012
April 30, 2016**

Date of Issue	January 9, 2012
Date of Maturity	January 9, 2017
Principal Amount	\$697,939
Interest Rate	3.25%
Interest Date	9th of Each Month
Principal Maturity Dates Payable at	9th of Each Month Union National Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2017	\$ 610,810	14,982	625,792

VILLAGE OF GILBERTS, ILLINOIS

Schedule of Long-Term Debt Requirements

Installment Note Payable of 2012A

April 30, 2016

Date of Issue	October 9, 2012
Date of Maturity	October 9, 2016
Principal Amount	\$71,000
Interest Rate	3.25%
Interest Date	October 9
Principal Maturity Date	October 9
Payable at	Union National Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2017	\$ 18,613	615	19,228

VILLAGE OF GILBERTS, ILLINOIS

Schedule of Long-Term Debt Requirements

**IEPA (L17-4866) Loan Payable of 2014
April 30, 2016**

Date of Issue	April 10, 2015
Date of Maturity	April 10, 2034
Authorized Issue	\$522,662
Denomination of Bonds	\$5,000
Interest Rate	1.93%
Interest Dates	October 10 and April 10
Principal Maturity Date	April 10
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Oct. 10	Amount	Apr. 10	Amount
2017	\$ 23,460	9,531	32,991	2016	4,822	2017	4,709
2018	23,915	9,075	32,990	2017	4,595	2018	4,480
2019	24,379	8,611	32,990	2018	4,364	2019	4,247
2020	24,852	8,139	32,991	2019	4,129	2020	4,010
2021	25,334	7,657	32,991	2020	3,889	2021	3,768
2022	25,826	7,166	32,992	2021	3,645	2022	3,521
2023	26,326	6,665	32,991	2022	3,396	2023	3,269
2024	26,836	6,155	32,991	2023	3,142	2024	3,013
2025	27,357	5,634	32,991	2024	2,883	2025	2,751
2026	27,887	5,104	32,991	2025	2,619	2026	2,485
2027	28,428	4,563	32,991	2026	2,350	2027	2,213
2028	28,979	4,011	32,990	2027	2,075	2028	1,936
2029	29,542	3,450	32,992	2028	1,796	2029	1,654
2030	30,114	2,876	32,990	2029	1,510	2030	1,366
2031	30,698	2,292	32,990	2030	1,220	2031	1,072
2032	31,294	1,697	32,991	2031	924	2032	773
2033	31,901	1,090	32,991	2032	622	2033	468
2034	32,520	471	32,991	2033	314	2034	157
	<u>499,648</u>	<u>94,187</u>	<u>593,835</u>		<u>48,295</u>		<u>45,892</u>

STATISTICAL SECTION

(Unaudited)

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

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

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

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

VILLAGE OF GILBERTS, ILLINOIS

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

See Following Page

VILLAGE OF GILBERTS, ILLINOIS

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

	2007	2008	2009
Governmental Activities			
Net Investment in Capital Assets	\$ 46,212,251	45,717,138	45,238,071
Restricted	6,462,783	2,924,369	2,868,011
Unrestricted	1,713,426	266,989	(141,207)
Total Governmental Activities Net Position	54,388,460	48,908,496	47,964,875
Business-Type Activities			
Net Investment in Capital Assets	17,877,744	18,331,282	19,523,353
Restricted	-	-	-
Unrestricted	3,316,869	2,767,205	2,759,545
Total Business-Type Activities Net Position	21,194,613	21,098,487	22,282,898
Primary Government			
Net Investment in Capital Assets	64,089,995	64,048,420	64,761,424
Restricted	6,462,783	2,924,369	2,868,011
Unrestricted	5,030,295	3,034,194	2,618,338
Total Primary Government Net Position	75,583,073	70,006,983	70,247,773

* Accrual Basis of Accounting

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
45,848,824	40,018,951	44,202,537	43,563,176	42,863,643	43,154,673	42,295,178
2,206,117	2,971,574	2,625,289	2,723,864	2,878,238	1,854,665	2,821,922
(315,287)	(439,447)	88,641	561,746	1,346,579	1,804,220	(2,382,364)
47,739,654	42,551,078	46,916,467	46,848,786	47,088,460	46,813,558	42,734,736
19,099,910	18,676,467	18,376,762	18,055,760	17,866,099	17,282,018	16,834,144
-	-	-	-	-	-	-
2,789,698	2,758,542	2,800,301	3,028,960	3,148,649	3,089,550	3,146,666
21,889,608	21,435,009	21,177,063	21,084,720	21,014,748	20,371,568	19,980,810
64,948,734	58,695,418	62,579,299	61,618,936	60,729,742	60,436,691	59,129,322
2,206,117	2,971,574	2,625,289	2,723,864	2,878,238	1,854,665	2,821,922
2,474,411	2,319,095	2,888,942	3,590,706	4,495,228	4,893,770	764,302
69,629,262	63,986,087	68,093,530	67,933,506	68,103,208	67,185,126	62,715,546

VILLAGE OF GILBERTS, ILLINOIS

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities										
General Government	\$ 2,228,618	2,579,918	1,979,570	2,023,929	1,595,186	1,801,758	1,831,654	2,187,002	3,269,423	9,571,335
Public Safety	1,058,788	1,133,408	1,213,466	1,170,590	1,178,237	1,309,823	1,265,648	1,371,625	1,343,362	1,674,079
Public Works	7,106,531	5,045,465	591,327	846,563	461,833	811,006	890,430	949,598	1,015,222	946,645
Parks and Recreation	-	11,177	18,958	26,047	20,793	33,550	25,094	29,762	14,433	46,010
Interest on Long-Term Debt	13,429	36,204	32,475	34,709	50,240	47,571	92,707	85,674	81,620	511,720
Total Governmental Activities Expenses	10,407,366	8,806,172	3,835,796	4,101,838	3,306,289	4,003,708	4,105,533	4,623,661	5,724,060	12,749,789
Business-Type Activities										
Utility	1,068,686	1,150,021	1,509,324	1,479,934	1,609,667	1,464,386	1,355,060	1,435,310	1,463,286	1,707,481
Total Primary Government Expenses	11,476,052	9,956,193	5,345,120	5,581,772	4,915,956	5,468,094	5,460,593	6,058,971	7,187,346	14,457,270
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	986,834	760,273	454,299	471,189	533,193	1,154,509	1,112,989	1,168,243	1,094,229	1,405,678
Public Safety	435	345	2,010	315	230	170	215	245	370	290
Public Works	-	132,464	-	-	-	-	-	-	-	-
Operating Grants/Contributions	141,296	-	177,354	187,060	202,328	221,036	228,177	571,448	712,209	200,479
Capital Grants/Contributions	12,187,611	-	-	-	-	676,552	-	-	-	4,682,521
Total Governmental Activities Program Revenues	13,316,176	893,082	633,663	658,564	735,751	2,052,267	1,341,381	1,739,936	1,806,808	6,288,968
Business-Type Activities										
Charges for Services										
Utility	705,727	1,004,546	1,070,098	1,083,273	1,153,634	1,205,048	1,260,335	1,224,460	1,197,017	1,305,417
Operating Grants/Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants/Contributions	-	-	-	-	-	-	-	-	170,238	-
Total Primary Government Program Revenues	705,727	1,004,546	1,070,098	1,083,273	1,153,634	1,205,048	1,260,335	1,224,460	1,367,255	1,305,417
Total Primary Government Program Revenues	14,021,903	1,897,628	1,703,761	1,741,837	1,889,385	3,257,315	2,601,716	2,964,396	3,174,063	7,594,385

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expenses) Revenues										
Governmental Activities	\$ 2,908,810	(7,913,090)	(3,202,133)	(3,443,274)	(2,570,538)	(1,951,441)	(2,764,152)	(2,883,725)	(3,917,252)	(6,460,821)
Business-Type Activities	(362,959)	(145,475)	(439,226)	(396,661)	(456,033)	(259,338)	(94,725)	(210,850)	(96,031)	(402,064)
Total Primary Government Net (Expenses) Revenues	<u>2,545,851</u>	<u>(8,058,565)</u>	<u>(3,641,359)</u>	<u>(3,839,935)</u>	<u>(3,026,571)</u>	<u>(2,210,779)</u>	<u>(2,858,877)</u>	<u>(3,094,575)</u>	<u>(4,013,283)</u>	<u>(6,862,885)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	633,817	690,985	772,740	869,696	930,188	943,158	935,382	975,625	1,098,562	1,373,173
Income	443,729	406,043	550,097	505,453	496,180	555,599	619,939	670,332	673,692	733,112
Replacement	328	374	342	303	337	304	301	345	251	341
Use	514,678	399,453	294,546	227,491	233,333	293,396	470,508	477,322	548,767	598,855
Utility	418,300	470,032	475,216	482,478	515,758	447,782	552,070	486,113	462,055	410,296
Interest	151,524	339,654	86,010	46,428	33,112	20,573	23,141	18,574	42,482	87,159
Miscellaneous	88,280	126,585	79,561	51,017	76,985	56,018	95,130	495,088	241,817	181,905
Gain on Sale of Capital Assets	-	-	-	3,860	-	-	-	-	-	-
Contributions	-	-	-	1,031,327	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	574,724	-
Total Governmental Activities	<u>2,250,656</u>	<u>2,433,126</u>	<u>2,258,512</u>	<u>3,218,053</u>	<u>2,285,893</u>	<u>2,316,830</u>	<u>2,696,471</u>	<u>3,123,399</u>	<u>3,642,350</u>	<u>3,384,841</u>
Business-Type Activities										
Interest	100,046	49,349	8,123	3,371	1,434	1,392	2,382	140,878	27,575	81,743
Contributions	-	-	1,615,514	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	(574,724)	-
Total Business-Type Activities	<u>100,046</u>	<u>49,349</u>	<u>1,623,637</u>	<u>3,371</u>	<u>1,434</u>	<u>1,392</u>	<u>2,382</u>	<u>140,878</u>	<u>(547,149)</u>	<u>81,743</u>
Total Primary Government	<u>2,350,702</u>	<u>2,482,475</u>	<u>3,882,149</u>	<u>3,221,424</u>	<u>2,287,327</u>	<u>2,318,222</u>	<u>2,698,853</u>	<u>3,264,277</u>	<u>3,095,201</u>	<u>3,466,584</u>
Changes in Net Position										
Governmental Activities	5,159,466	(5,479,964)	(943,621)	(225,221)	(284,645)	365,389	(67,681)	239,674	(274,902)	(3,075,980)
Business-Type Activities	(262,913)	(96,126)	1,184,411	(393,290)	(454,599)	(257,946)	(92,343)	(69,972)	(643,180)	(320,321)
Total Primary Government	<u>4,896,553</u>	<u>(5,576,090)</u>	<u>240,790</u>	<u>(618,511)</u>	<u>(739,244)</u>	<u>107,443</u>	<u>(160,024)</u>	<u>169,702</u>	<u>(918,082)</u>	<u>(3,396,301)</u>

* Accrual Basis of Accounting

Data Source: Village Records

VILLAGE OF GILBERTS, ILLINOIS

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

	2007	2008	2009
General Fund			
Reserved	\$ 936,722	1,656,281	1,519,285
Unreserved	1,688,864	765,586	436,361
Nonspendable	-	-	-
Restricted	-	-	-
Unassigned	-	-	-
Total General Fund	<u>2,625,586</u>	<u>2,421,867</u>	<u>1,955,646</u>
All Other Governmental Funds			
Reserved	5,597,445	1,311,328	1,394,454
Unreserved, Reported in, Capital Projects Funds	-	(524,688)	(596,967)
Restricted	-	-	-
Unassigned	-	-	-
Total All Other Governmental Funds	<u>5,597,445</u>	<u>786,640</u>	<u>797,487</u>
Total Governmental Funds	<u><u>8,223,031</u></u>	<u><u>3,208,507</u></u>	<u><u>2,753,133</u></u>

* Modified Accrual Basis of Accounting

Data Source: Village Records

Note: The Village implemented GASB Statement No. 54 for the fiscal year ended April 30, 2011.

2010	2011	2012	2013	2014	2015	2016
1,186,095	-	-	-	-	-	-
248,390	-	-	-	-	-	-
-	35,494	47,161	51,289	52,120	44,038	48,023
-	1,366,216	1,654,180	1,902,510	2,015,774	1,223,868	2,202,748
-	491,150	702,133	1,160,786	1,921,913	1,808,952	1,500,146
1,434,485	1,892,860	2,403,474	3,114,585	3,989,807	3,076,858	3,750,917
1,070,385	-	-	-	-	-	-
(574,724)	-	-	-	-	-	-
-	1,605,358	971,109	821,354	862,464	630,797	619,174
-	(574,724)	(574,724)	(574,724)	(574,724)	-	-
495,661	1,030,634	396,385	246,630	287,740	630,797	619,174
1,930,146	2,923,494	2,799,859	3,361,215	4,277,547	3,707,655	4,370,091

VILLAGE OF GILBERTS, ILLINOIS

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

	2007	2008	2009
Revenues			
Taxes	\$ 1,052,118	1,161,017	1,247,957
Licenses, Permits and Fees	408,648	346,447	218,423
Intergovernmental	1,016,154	934,386	1,016,353
Charges for Services	489,703	330,568	154,195
Fines and Forfeitures	100,758	87,552	88,778
Interest	223,560	339,654	86,007
Contribution Revenue	12,187,611	-	-
Miscellaneous	88,280	126,584	80,462
Total Revenues	15,566,832	3,326,208	2,892,175
Expenditures			
General Government	1,471,956	1,858,063	1,436,212
Public Safety	917,515	1,085,247	1,127,269
Public Works	394,784	455,945	484,758
Parks and Recreation	-	11,177	4,560
Capital Outlay	7,721,483	4,837,026	249,715
Debt Service			
Principal Retirement	40,145	57,941	51,963
Interest and Fiscal Charges	11,114	35,333	33,260
Total Expenditures	10,556,997	8,340,732	3,387,737
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,009,835	(5,014,524)	(495,562)
Other Financing Sources (Uses)			
Debt Issuance	813,779	-	40,188
Payment to Escrow Agent	-	-	-
Premium on Debt Issuance	-	-	-
Proceeds from Sale of Capital Assets	-	-	-
Transfers In	19,852	41,789	101,627
Transfers Out	(19,852)	(41,789)	(101,627)
Total Other Financing Sources (Uses)	813,779	-	40,188
Net Change in Fund Balances	5,823,614	(5,014,524)	(455,374)
Debt Service as a Percentage of Noncapital Expenditures	0.53%	1.16%	2.77%

* Modified Accrual Basis of Accounting

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
1,352,174	1,445,946	1,390,940	1,487,452	1,461,738	1,560,617	1,783,469
217,424	240,463	166,014	127,331	192,768	115,705	161,056
912,308	932,178	1,070,335	1,318,925	1,719,447	1,934,919	1,532,787
186,067	236,695	904,612	878,778	882,590	906,973	1,183,907
73,662	55,998	84,053	107,095	93,130	71,921	61,005
46,428	49,266	20,573	23,141	18,574	42,482	87,159
-	-	-	-	-	-	181,905
53,367	76,985	56,018	95,130	495,088	241,817	-
2,841,430	3,037,531	3,692,545	4,037,852	4,863,335	4,874,434	4,991,288
1,441,493	756,846	3,578,316	913,990	1,304,372	2,013,871	7,988,913
1,089,104	1,147,368	1,236,297	1,235,342	1,332,082	1,303,596	1,255,078
325,997	336,538	784,690	824,506	884,502	955,868	898,011
33,879	19,871	33,550	25,094	29,762	14,433	46,010
821,747	43,391	71,921	149,183	32,818	1,398,908	554,430
46,206	66,573	76,741	287,920	276,940	251,817	322,611
32,009	45,365	61,819	111,461	90,310	83,758	367,777
3,790,435	2,415,952	5,843,334	3,547,496	3,950,786	6,022,251	11,432,830
(949,005)	621,579	(2,150,789)	490,356	912,549	(1,147,817)	(6,441,542)
122,158	356,656	2,672,939	71,000	-	-	7,100,000
-	-	(699,309)	249,061	-	-	-
-	-	53,524	(249,061)	-	-	-
3,860	31,000	-	-	3,783	3,201	3,978
75,353	85,337	659,539	-	174,414	786,430	135,341
(75,353)	(85,337)	(659,539)	-	(174,414)	(211,706)	(135,341)
126,018	387,656	2,027,154	71,000	3,783	577,925	7,103,978
(822,987)	1,009,235	(123,635)	561,356	916,332	(569,892)	662,436
2.39%	4.63%	5.43%	11.71%	9.37%	6.72%	10.38%

VILLAGE OF GILBERTS, ILLINOIS

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

Fiscal Year	Tax Levy Year	Residential Property	Farm	Commercial Property
2007	2006	\$ 154,995,842	\$ 1,425,433	\$ 2,743,979
2008	2007	175,139,195	1,437,262	2,207,469
2009	2008	188,511,459	1,495,400	2,152,590
2010	2009	199,306,244	1,547,482	2,361,244
2011	2010	194,585,913	1,522,702	2,082,866
2012	2011	185,096,470	1,478,830	2,326,629
2013	2012	169,166,456	1,277,555	1,753,254
2014	2013	151,810,388	1,244,970	1,481,300
2015	2014	151,653,242	1,262,919	1,441,290
2016	2015	155,417,136	1,267,419	1,673,054

Data Source: Office of the County Clerk

Industrial Property	Railroad Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
\$ 9,774,109	\$ 93,819	\$ -	\$ 169,033,182	0.4053
11,271,680	103,038	-	190,158,644	0.3978
12,359,700	112,582	-	204,631,731	0.4014
14,434,340	135,787	-	217,785,097	0.3884
14,071,118	169,860	-	212,432,459	0.4177
13,338,359	180,516	-	202,420,804	0.4535
12,130,836	204,254	-	184,532,355	0.5212
11,007,720	252,407	-	165,796,785	0.6023
10,636,221	263,210	-	165,256,882	0.6219
11,170,837	316,108	-	169,844,554	0.6154

VILLAGE OF GILBERTS, ILLINOIS

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

	2006	2007	2008	2009
Village Direct Rates				
General	0.3502	0.3437	0.3389	0.3242
Police Pension	0.0551	0.0540	0.0625	0.0642
Total Direct Rates	0.4053	0.3978	0.4014	0.3884
Overlapping Rates				
Dundee Township Library	0.1327	0.1279	0.1273	0.1306
School District #300	3.9788	3.8673	3.8603	3.9687
Kane County	0.3452	0.3322	0.3336	0.3398
Rutland Township Fire	0.4667	0.4527	0.4510	0.4456
Community College #509	0.3398	0.3280	0.3275	0.3833
Other	0.7644	0.7809	0.7668	0.7937
Total Direct and Overlapping Rates	6.4329	6.2868	6.2679	6.4501

Data Source: Office of the County Clerk

Note: Rates are per \$1,000 of Assessed Value

2010	2011	2012	2013	2014	2015
0.3597	0.3838	0.4676	0.5344	0.5511	0.5449
0.0579	0.0697	0.0535	0.0679	0.0708	0.0705
0.4177	0.4535	0.5212	0.6023	0.6219	0.6154
0.1456	0.1582	0.1811	0.2061	0.2171	0.2095
4.4615	4.7987	5.6752	6.3182	6.7211	6.5437
0.3730	0.3990	0.4336	0.4623	0.4684	0.4473
0.4814	0.5451	0.6267	0.7148	0.7459	0.7258
0.4407	0.4454	0.5215	0.5707	0.6076	0.5609
0.8914	0.9854	1.0957	1.2569	1.4155	1.2543
7.2113	7.7853	9.0550	10.1313	10.7974	10.3569

VILLAGE OF GILBERTS, ILLINOIS

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

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Prairie Business Park II	3,110,501	1	1.83%			
Prairie Business Park I	1,668,453	2	0.98%			
T Corp	811,776	3	0.48%	572,775	1	0.30%
389 Sola Dr.	768,225	4	0.45%			
Gray Wing LLC	500,865	5	0.29%			
Waitcus Trust	453,767	6	0.27%	503,338	2	0.26%
275 Sola Drive	388,379	7	0.23%			
Hayden Properties	366,769	8	0.22%			
Tinks Ink LLC	356,221	9	0.21%			
Gilberts Development LLC	344,761	10	0.20%			
Whiter Angels LLC						
Crest Acquisition Corp				478,230	3	0.25%
RESI LLC				389,178	4	0.20%
Watch City Eerie (Eagles)				388,385	5	0.20%
Barrington Land Developers				344,717	6	0.18%
Hill-Newby LLC				340,807	7	0.18%
96 Center LLC				340,806	8	0.18%
Burnidge Corp				322,116	9	0.17%
RG Tonelli & Associates				309,280	10	0.16%
	<u>8,769,717</u>		<u>5.16%</u>	<u>3,989,632</u>		<u>2.10%</u>
Equalized Assessed Value	<u>169,844,554</u>			<u>190,158,644</u>		

Data Source: Office of the County Clerk Tax Extension

VILLAGE OF GILBERTS, ILLINOIS

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

Fiscal Year	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2007	2006	\$ 626,544	\$ 625,475	99.83%	\$ 905	\$ 626,380	99.97%
2008	2007	685,108	685,098	100.00%	-	685,098	100.00%
2009	2008	756,375	752,947	99.55%	574	753,521	99.62%
2010	2009	821,310	816,410	99.40%	981	817,391	99.52%
2011	2010	845,877	841,980	99.54%	24	842,004	99.54%
2012	2011	887,288	882,754	99.49%	1,268	884,022	99.63%
2013	2012	918,059	917,981	99.99%	23	918,004	99.99%
2014	2013	961,764	955,966	99.40%	-	955,966	99.40%
2015	2014	998,528	996,569	99.80%	-	996,569	99.80%
2016	2015	1,027,699	1,024,211	99.66%	-	1,024,211	99.66%

Data Source: Office of the County Clerk

VILLAGE OF GILBERTS, ILLINOIS

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

Fiscal Year	Governmental Activities			Business-Type	Total Primary Government	Percentage of Personal Income (1)	Percentage of Equalized Assessed Value (2)	Per Capita (1)
	Alternate Revenue Bonds	Tax Increment Revenue Notes	Installment Notes Payable	IEPA Loan				
2007	\$ -	\$ -	\$ 862,339	\$ -	\$ 862,339	0.48%	0.51%	\$ 152.01
2008	-	-	862,339	-	862,339	0.45%	0.45%	143.82
2009	-	-	792,623	-	792,623	0.40%	0.39%	128.80
2010	-	-	868,575	-	868,575	0.40%	0.40%	126.26
2011	356,656	-	802,002	-	1,158,658	0.53%	0.55%	168.43
2012	2,299,311	-	756,236	-	3,055,547	1.39%	1.51%	444.18
2013	2,062,049	-	776,578	-	2,838,627	1.04%	1.54%	386.94
2014	1,854,304	-	707,383	-	2,561,687	0.93%	1.55%	341.65
2015	1,640,855	-	669,015	522,662	2,832,532	1.03%	1.71%	381.08
2016	1,421,536	7,036,300	629,423	499,648	9,586,907	3.55%	5.64%	1,255.16

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.
There are no debt service reserves available for future debt service payments.

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

(2) See the Assessed Value and Actual Value of Taxable Property Schedule for Equalized Assessed Value data.

VILLAGE OF GILBERTS, ILLINOIS

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

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
2007	\$ -	\$ -	\$ -	0.00%	\$ -
2008	-	-	-	0.00%	-
2009	-	-	-	0.00%	-
2010	-	-	-	0.00%	-
2011	356,656	-	356,656	0.18%	51.85
2012	2,299,311	-	2,299,311	1.14%	334.25
2013	2,062,049	-	2,062,049	1.12%	281.09
2014	1,854,304	-	1,854,304	1.12%	247.31
2015	1,640,855	-	1,640,855	0.99%	220.75
2016	1,421,536	-	1,421,536	0.84%	186.11

Data Source: Village Records

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

(1) See the Ratios of Outstanding Debt by Type Schedule for Equalized Assessed Value data (Actual Taxable Value of Property).

(2) See the Demographic and Economic Statistics Schedule for the Per Capita Income data.

VILLAGE OF GILBERTS, ILLINOIS

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

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Village (1)	Village's Share of Debt
Village	\$ 9,087,259	100.000%	\$ 9,087,259
Overlapping Debt			
Kane County	97,300,000	1.480%	1,440,040
Kane County Forest Preserve	180,048,304	1.480%	2,664,715
Dundee Township	6,910,000	0.580%	40,078
Dundee Township Park District	20,748,788	1.350%	280,109
Community College District No. 509	30,795,508	1.610%	495,808
School District No. 300	401,662,612	6.100%	24,501,419
School District No. 158	165,935,954	0.050%	82,968
Gilberts Special Service Area #9	16,545,000	100.000%	16,545,000
Gilberts Special Service Area #15	10,995,000	100.000%	10,995,000
Gilberts Special Service Area #19	9,880,000	100.000%	9,880,000
Total Overlapping Debt	940,821,166		66,925,137
Total Direct and Overlapping Debt	949,908,425		76,012,396

Data Source: County Tax Extension Department

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

VILLAGE OF GILBERTS, ILLINOIS

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

See Following Page

VILLAGE OF GILBERTS, ILLINOIS

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

	2007	2008	2009
Legal Debt Limit	\$ 14,579,112	16,401,183	17,649,486
Total Net Debt Applicable to Limit	-	-	-
Legal Debt Margin	14,579,112	16,401,183	17,649,486
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
18,783,965	18,385,621	17,478,279	15,928,929	14,320,068	14,253,406	14,649,093
868,575	1,158,658	755,890	776,578	707,383	669,015	629,423
17,915,390	17,226,963	16,722,389	15,152,351	13,612,685	13,584,391	14,019,670
4.62%	6.30%	4.32%	4.88%	4.94%	4.69%	4.30%

Legal Debt Margin Calculation for Fiscal Year 2016

Assessed Value - 2015 Levy	<u>\$ 169,844,554</u>
Bonded Debt Limit - 8.625% of Assessed Value	14,649,093
Amount of Debt Applicable to Limit	<u>629,423</u>
Legal Debt Margin	<u>14,019,670</u>

VILLAGE OF GILBERTS, ILLINOIS

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

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2007	5,673	\$ 180,957,354	\$ 31,898	1.60%
2008	5,996	191,260,408	31,898	2.10%
2009	6,154	196,300,292	31,898	3.60%
2010	6,879	219,426,342	31,898	3.70%
2011	6,879	219,426,342	31,898	3.70%
2012	6,879	219,426,342	31,898	4.75%
2013	7,336	271,989,536	37,076	8.70%
2014	7,498	275,296,568	36,716	6.60%
2015	7,433	275,296,568	35,661	5.00%
2016	7,638	269,674,866	35,307	4.60%

Data Source: Illinois Department of Employment Security (IDES), US Census Bureau

VILLAGE OF GILBERTS, ILLINOIS

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

Employer	2016			2007		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Scurto	250	1	6.25%	N/A	N/A	N/A
R. M. Sellergren	225	2	5.62%	N/A	N/A	N/A
Midwest Integrated Companies	150	3	3.75%	N/A	N/A	N/A
Community District 300	92	4	2.30%	N/A	N/A	N/A
MAX Maintenance Solutions	45	5	1.12%	N/A	N/A	N/A
Safety Socket LLC	43	6	1.07%	N/A	N/A	N/A
Selee Corp.	40	7	1.00%	N/A	N/A	N/A
R. Cleveland Corp.	35	8	0.87%	N/A	N/A	N/A
Forming Concepts, Inc.	30	9	0.75%	N/A	N/A	N/A
R&I Ornamental Iron	26	10	0.65%	N/A	N/A	N/A
	<u>936</u>		<u>23.39%</u>	<u>N/A</u>		<u>N/A</u>

Data Source: Village Community Development Department Records and U.S. Census Bureau.

N/A - Data for 2007 is not available.

VILLAGE OF GILBERTS, ILLINOIS

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
Administration - Full-Time	4	4	4	3	3	3	3	3	3	3
Administration - Part-Time	-	1	1	2	2	2	2	2	1	1
Finance	2	2	2	1	1	1	1	2	2	2
Building and Zoning	2	3	3	2	2	2	2	2	2	2
Public Safety										
Police										
Officers - Full-Time	9	9	8	8	8	8	8	8	8	8
Officers - Part-Time	12	9	15	14	9	9	12	11	11	10
Civilians - Full-Time	1	1	1	1	1	-	-	-	-	-
Civilians - Part-Time	1	1	1	-	-	-	-	1	1	1
Public Works										
Administration	-	-	-	-	-	-	-	-	-	-
Other - Full-Time	4	4	4	3	3	2	2	2	2	2
Other - Part-Time	2	2	1	1	1	2	1	1	1	1
Utility	-	-	-	-	3	3	4	4	4	4
Totals	37	36	40	35	33	32	35	36	35	34

Data Source: Village Records

VILLAGE OF GILBERTS, ILLINOIS

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

See Following Page

VILLAGE OF GILBERTS, ILLINOIS

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

	2007	2008	2009
General Government			
Business Licenses	100	108	113
Liquor Licenses	7	8	8
Public Safety			
Police			
Part I Crimes	8	4	3
Part II Crimes	43	47	49
Physical Arrests	12	12	13
Parking Violations	29	51	75
Traffic Violations	2,296	2,555	1,937
Public Works			
Parkway Trees Trimmed	45	50	50
Street Resurfacing (Miles)	-	-	1
Potholes Repaired	30	60	60
Utility			
Number of Metered Accounts	1,480	1,582	1,646
Number of Hydrants Flushed/Inspected	318	318	318
New Connections	75	102	64
Water Average Daily Consumption	319,000	439,000	490,000
Average Daily Sewage Treatment	293,000	323,000	368,000

Data Source: Various Village Departments

2010	2011	2012	2013	2014	2015	2016
110	103	72	82	104	132	60
8	8	8	8	9	8	7
-	3	46	41	48	24	21
40	47	145	113	108	82	89
11	11	125	134	96	67	60
39	48	66	87	105	37	57
1,576	1,046	1,217	1,256	1,133	1,526	1,339
55	60	300	452	315	200	150
-	-	6	-	-	-	1
60	60	50	50	78	90	110
1,662	1,697	1,732	1,650	1,749	1,777	1,780
318	318	318	318	318	384	384
16	35	33	26	40	17	8
537,000	455,000	493,000	525,000	467,000	447,417	501,000
333,000	414,000	416,000	409,000	406,000	408,417	481,000

VILLAGE OF GILBERTS, ILLINOIS

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

	2007	2008	2009
Public Safety			
Police			
Stations	1	1	1
Patrol Units	9	10	10
Public Works			
Streets (Miles)	26	26	26
Streetlights	116	116	116
Traffic Signals	2	5	5
Utility			
Water Mains (Miles)	32	32	32
Fire Hydrants	316	316	316
Sanitary Sewers (Miles)	28	28	28
Storm Sewers (Miles)	27	27	27

Data Source: Various Village Departments

2010	2011	2012	2013	2,014	2015	2016
1	1	1	1	1	1	1
9	11	11	11	11	10	10
29	29	31	31	31	31	32
149	149	155	155	155	195	205
5	5	5	5	5	5	5
37	37	37	37	37	37	37
316	316	316	316	316	384	384
31	31	31	31	31	37	37
30	30	30	30	30	37	37