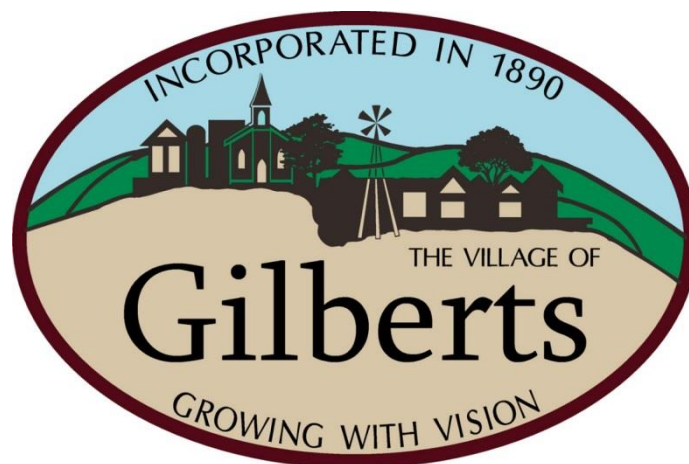


VILLAGE OF GILBERTS, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2017

VILLAGE OF GILBERTS, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2017

Prepared by:
Finance Department

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, 2017**

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

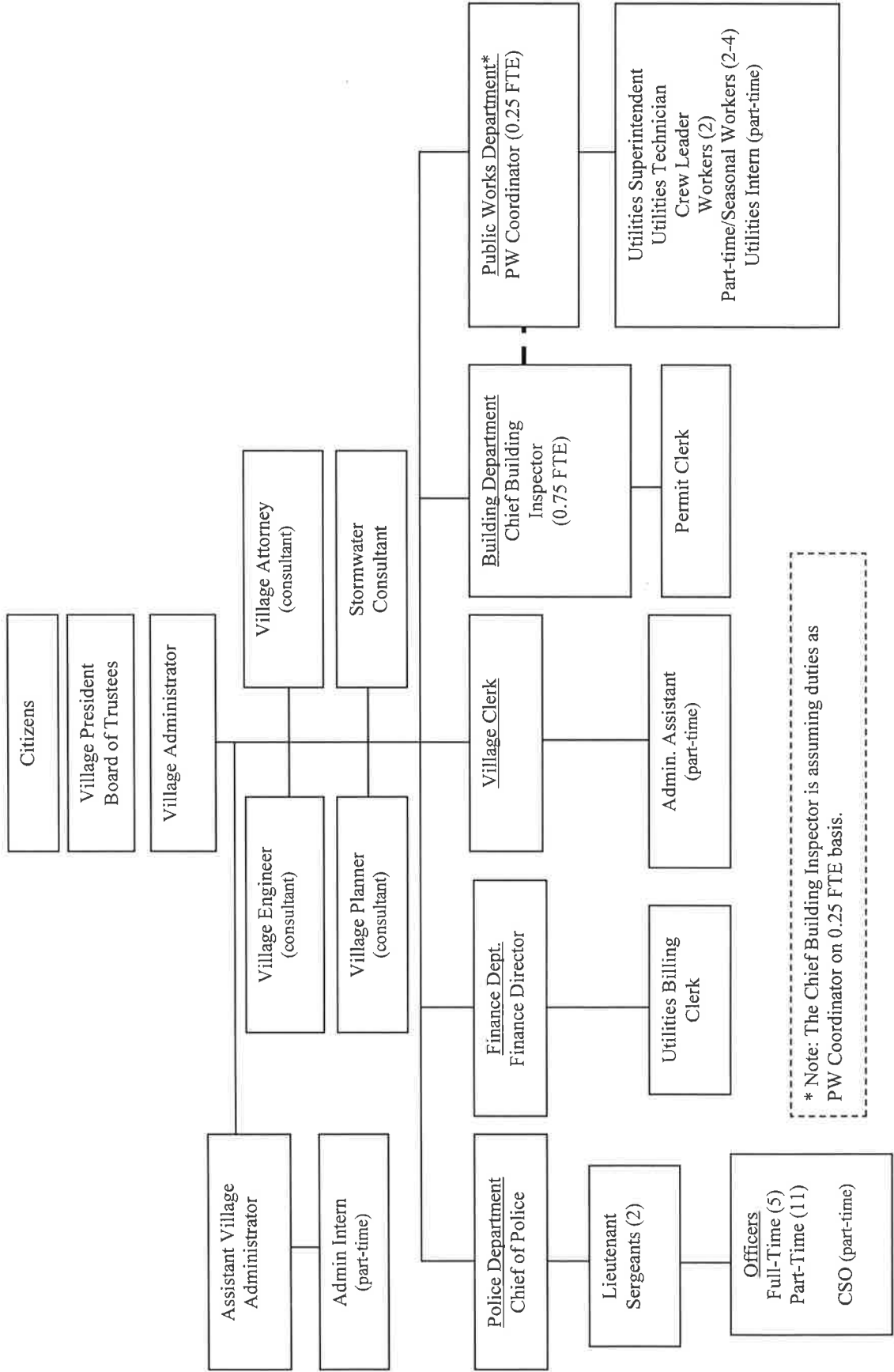
Debra Meadows, Village Clerk

George Sakas, Village Administrator

FINANCE

Marlene Blocker, Finance Director

Village of Gilberts Organization Chart



* Note: The Chief Building Inspector is assuming duties as PW Coordinator on 0.25 FTE basis.

Village of Gilberts

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

August 2, 2017

**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, 2017.

The 2017 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 & 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, 2017, 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 Position 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 position 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 increase our road improvement fund.

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 53 new home permits were issued for the Conservancy. In addition, 44 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 began servicing a fiber based network to provide business class internet service to underserved areas throughout the Village.

Town Center Park Improvements

During the budget cycle, the Village continued with the improvements at Town Center Park. A recirculating water system was installed at the splash park and this enabled the splash park to decrease the amount of water used in its operation.

Prairie Business Park

Development continues with plans for a new gas station opening at the end of 2017. A new Dunkin Donuts restaurant should also open by the end of 2017.

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, 2016. This was the sixth 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, 2016. This was the sixth year the Village received this award also.

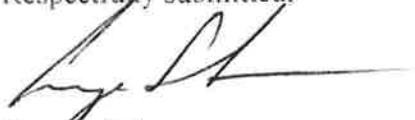
The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those government entities who publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy 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 & 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, 2016

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
- Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

August 2, 2017

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, 2017, 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, 2017, 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, 2017

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, 2017. 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 revenues in excess of expenditures by \$1,078,429 due primarily from better than anticipated collections for charges for services and actual expenditures were lower than budgeted. The General Fund reported an ending fund balance of \$4,665,088, an increase of 24.4% or \$914,171.
- Revenues for the year for business-type activities totaled \$1,743,868. Operating expenses (including depreciation) totaled \$1,750,744, resulting in a loss of \$6,876.

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/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position.

VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2017

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, 2017

USING THIS ANNUAL REPORT – Continued

Governmental Funds – Continued

The Village of Gilberts maintains five 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 and TIF #2 Funds, which are considered major funds. Data from the other two 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 - 68 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 - 50 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 51 - 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, 2017

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 \$63.1 million.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current & Other Assets	\$ 7,863,786	6,594,025	4,296,547	3,832,880	12,160,333	10,426,905
Capital Assets	48,164,575	49,028,658	16,918,754	17,333,792	65,083,329	66,362,450
Total Assets	56,028,361	55,622,683	21,215,301	21,166,672	77,243,662	76,789,355
Def. Outflows	1,117,862	1,230,308	30,942	15,922	1,148,804	1,246,230
Total Assets/ Def. Outflows	57,146,223	56,852,991	21,246,243	21,182,594	78,392,466	78,035,585
Long-Term Debt	10,961,087	10,853,456	627,506	569,506	11,588,593	11,422,962
Other Liabilities	1,082,965	1,668,905	620,095	629,133	1,703,060	2,298,038
Total Liabilities	12,044,052	12,522,361	1,247,601	1,198,639	13,291,653	13,721,000
Def. Inflows	1,945,803	1,595,894	24,708	3,145	1,970,511	1,599,039
Total Liabilities/ Def. Inflows	13,989,855	14,118,255	1,272,309	1,201,784	15,262,164	15,320,039
Net Position						
Net Investment in Capital Assets	39,409,855	42,295,178	16,442,566	16,834,144	55,852,421	59,129,322
Restricted	3,616,075	2,821,922	-	-	3,616,075	2,821,922
Unrestricted	130,438	(2,382,364)	3,531,368	3,146,666	3,661,806	764,302
Total Net Position	43,156,368	42,734,736	19,973,934	19,973,934	63,130,302	62,708,670

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 88.5% 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, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS – continued

An additional portion, or 5.7%, of the Village of Gilberts' net position represents resources that are subject to external restrictions on how they may be used. The remaining 5.8%, or \$3,661,806, 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	
	2017	2016	2017	2016	2017	2016
Revenues						
Program Revenues						
Charges for Services	\$ 1,693,944	1,405,968	1,681,690	1,305,417	3,375,634	2,711,385
Capital Grants/Contributions	220,231	4,682,521	-	-	220,231	4,682,521
Operating Grants/Contributions	-	200,479	-	-	-	200,479
General Revenues						
Taxes						
Property Taxes	1,569,714	1,373,173	-	-	1,569,714	1,373,173
Utility Taxes	419,928	410,296	-	-	419,928	410,296
Intergovernmental						
Income Taxes	650,236	733,112	-	-	650,236	733,112
Replacement Taxes	305	341	-	-	305	341
Sales and Use Taxes	672,627	598,855	-	-	672,627	598,855
Other General Revenues	185,702	269,064	62,178	81,743	247,880	350,807
Total Revenues	5,412,687	9,673,809	1,743,868	1,387,160	7,156,555	11,060,969
Expenses						
General Government	1,895,748	9,571,335	-	-	1,895,748	9,571,335
Public Safety	1,627,273	1,674,079	-	-	1,627,273	1,674,079
Public Works	952,705	946,645	-	-	952,705	946,645
Parks and Recreation	67,649	46,010	-	-	67,649	46,010
Interest on Long-Term Debt	447,680	511,720	-	-	447,680	511,720
Utility	-	-	1,750,744	1,707,481	1,750,744	1,707,481
Total Expenses	4,991,055	12,749,789	1,750,744	1,707,481	6,741,799	14,457,270
Change in Net Position	421,632	(3,075,980)	(6,876)	(320,321)	414,756	(3,396,301)
Net Position - Beginning	42,734,736	45,810,716	19,980,810	20,301,131	62,715,546	66,111,847
Net Position- Ending	43,156,368	42,734,736	19,973,934	19,980,810	63,130,302	62,715,546

VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Net position of the Village of Gilberts' governmental activities had an increase from the prior year due to better than anticipated collections for charges for services and actual expenditures were lower than budgeted. Revenues for the governmental activities totaled \$5.4 million which is a 44.0% decrease due to the Village receiving one time capital contributions in the prior year. Expenses for the governmental activities totaled \$5.0 million which included \$1,314,504 of depreciation expense.

Net position of the business-type activities decreased by less than one percent or \$6,876 from the prior year. Revenues for the business-type activities totaled \$1.7 million along with expenses for the business-type activities of \$1.8 million which includes \$477,091 of depreciation expense.

Revenues for the Village as a whole totaled \$7,156,555 (\$11,060,969 in the prior year), while expenses for the Village as a whole totaled \$6,741,799 (\$14,457,270 in the prior year).

Governmental Activities

Revenues for governmental activities this year were \$5,412,687. The cost of all governmental activities this year was \$4,991,055. The largest percentage of governmental expenses was to fund general government activities (38% of the \$5 million in total expenses for the governmental activities).

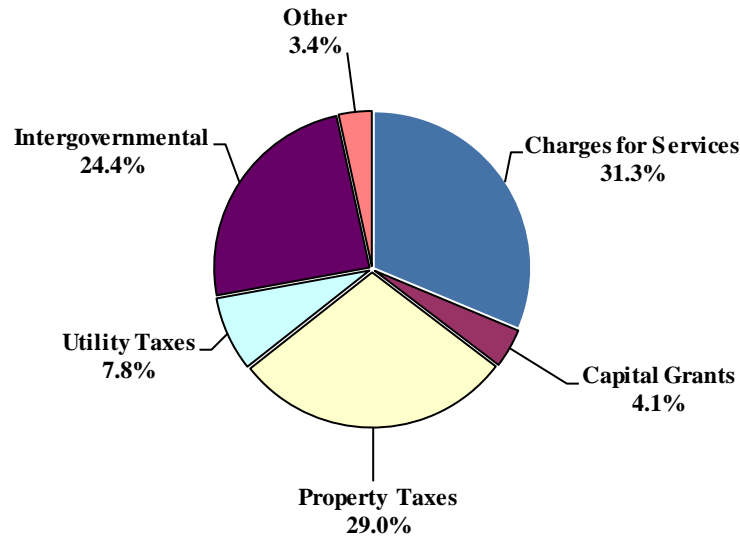
The following table graphically depicts the major revenue sources of the Village of Gilberts. The graph depicts very clearly the reliance of intergovernmental revenues, property taxes and charges for services to fund governmental activities. It also clearly identifies the smaller percentage the Village 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, 2017**

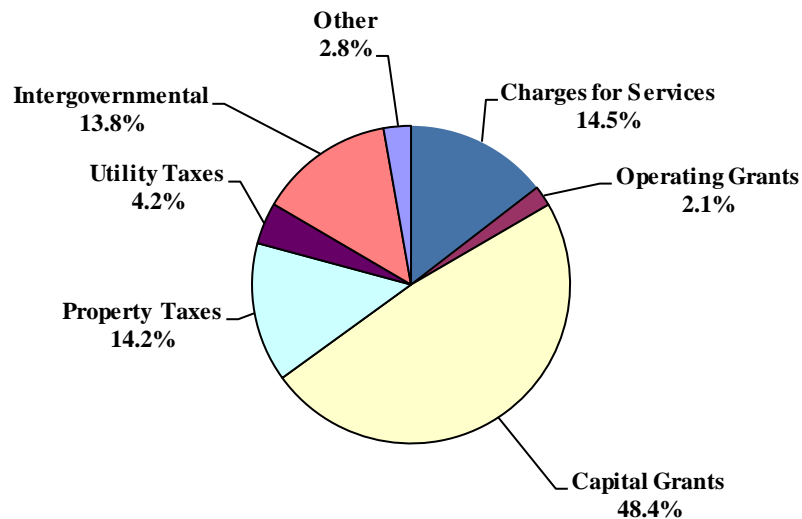
GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

**Revenues by Source - Governmental Activities
at April 30, 2017**



Property taxes increased \$196,541 from 2016 to 2017. Income taxes, replacement taxes and other general revenues all decreased during the year. The decrease in operating grants/contributions is due to no additional contributed capital from Prairie Business Park.

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



VILLAGE OF GILBERTS, ILLINOIS

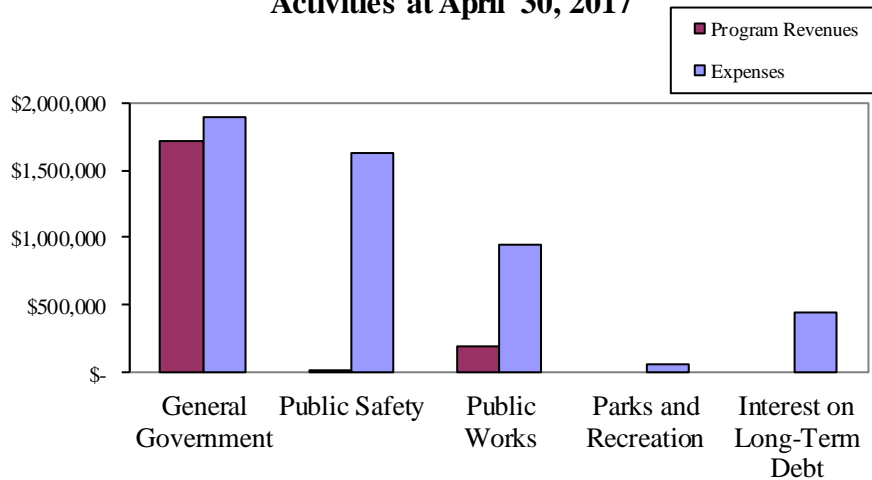
**Management’s Discussion and Analysis
April 30, 2017**

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

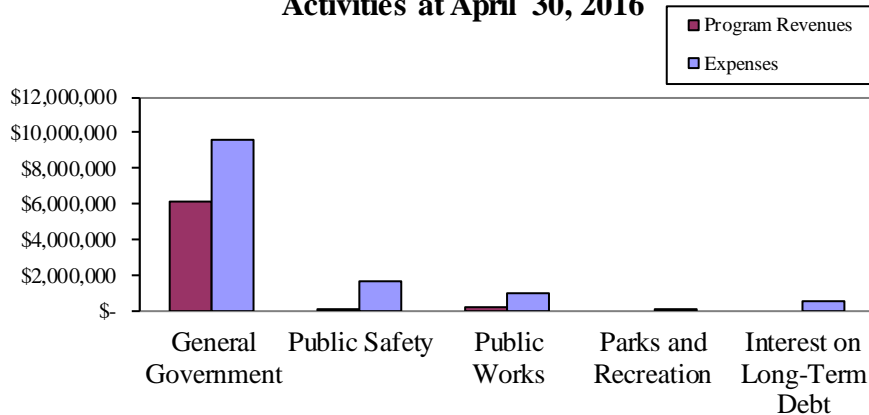
Governmental Activities – Continued

The ‘Expenses and Program Revenues’ Table identifies those governmental functions where program expenses greatly exceed revenues. For FY-17, 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, 2017**



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



VILLAGE OF GILBERTS, ILLINOIS

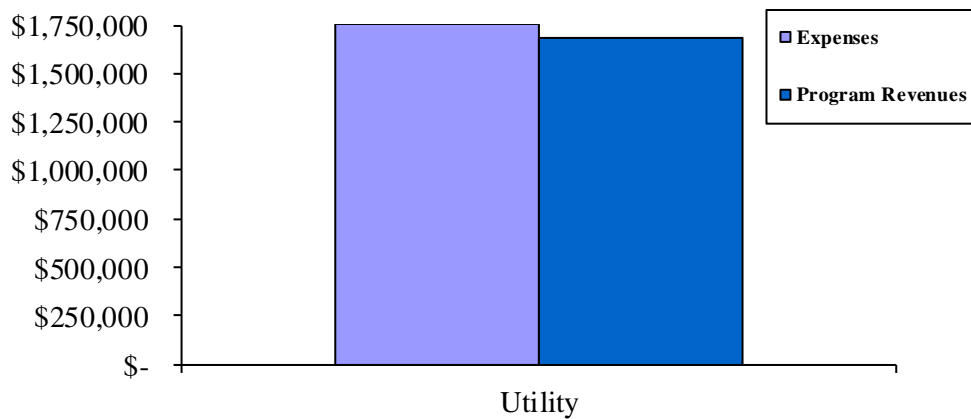
**Management's Discussion and Analysis
April 30, 2017**

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

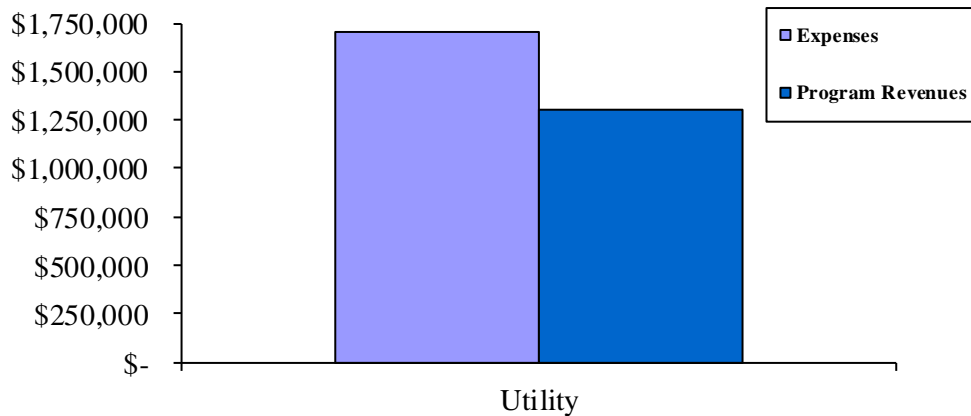
Business-Type Activities

Revenues for the business-type activities totaled \$1,743,868 for the year, while expenses totaled \$1,750,744 for the year (including depreciation expense of \$477,091). 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 \$470,215.

**Expenses and Program Revenues - Business-Type Activities at
April 30, 2017**



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



VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2017

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 \$5.4 million, which is an increase of \$1.1 million from last year's total of \$4.4 million.

The General Fund reported an ending fund balance of \$4,665,088, an increase of 24.4% or \$914,171 which included \$318,524 in capital outlay expenditures primarily due to a financial software upgrade, new municipal vehicles and the completion of the Town Center Park splash pad project. Ending fund balance in the General Fund of \$4,665,088 represents 119.2% or approximately 14.3 months of operating expenditures.

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 less than one percent from the prior year or \$6,876.

VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2017

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 \$4,694,046 compared to final budgeted revenues of \$4,541,882. The major portion of the difference was due from better than anticipated collections for interest, charges for services, and fines and forfeits.

The General Fund actual expenditures for the year were less than budgeted by \$226,509 (\$3,914,006 actual compared to \$4,140,515 final budgeted). The general government, public safety, public works, and parks and recreation functions were all lower than budgeted expenditures by \$94,675, \$32,869, \$86,758 and \$6,656, respectively, as management's awareness of budgetary constraints lead to reduced spending. Capital outlay expenditures were budgeted at \$321,117 for the year, with actual expenditures of \$318,524.

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, 2017 was \$65.0 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	
	2017	2016	2017	2016	2017	2016
Land	\$ 25,584,853	25,584,853	937,200	937,200	26,522,053	26,522,053
Construction in Process	-	996,085.00	-	-	-	996,085
Land Improvements	1,475,486	452,466	-	-	1,475,486	452,466
Buildings	1,346,230	1,389,917	8,822,586	9,039,103	10,168,816	10,429,020
Machinery & Equipment	376,748	320,834	-	-	376,748	320,834
Infrastructure	19,381,258	20,284,503	7,158,968	7,357,489	26,540,226	27,641,992
Total	48,164,575	49,028,658	16,918,754	17,333,792	65,083,329	66,362,450

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

VILLAGE OF GILBERTS, ILLINOIS

Management's Discussion and Analysis April 30, 2017

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

At year-end, the Village of Gilberts had total debt of \$9,230,908 as compared to \$9,586,907 the previous year. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Installment Notes Payable	\$ 588,467	629,423	-	-	588,467	629,423
IEPA Loan	-	-	476,188	499,648	476,188	499,648
General Obligation Bonds	1,196,153	1,421,536	-	-	1,196,153	1,421,536
Tax Increment Revenue Note Payable	6,970,100	7,036,300	-	-	6,970,100	7,036,300
	<u>8,754,720</u>	<u>9,087,259</u>	<u>476,188</u>	<u>499,648</u>	<u>9,230,908</u>	<u>9,586,907</u>

Additional information on the Village's debt can be found on pages 33 - 37 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 2018 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 slow residential housing market. Budgeted expenditures for 2018 are expected to decrease approximately 3.2 percent, from \$4.31 million to \$4.17 million. The Village has added no major new programs or initiatives to the 2018 budget.

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 Fund

Fiduciary Funds

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

VILLAGE OF GILBERTS, ILLINOIS

Statement of Net Position
April 30, 2017

See Following Page

VILLAGE OF GILBERTS, ILLINOIS

Statement of Net Position

April 30, 2017

	Governmental Activities	Business- Type Activities	Totals
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 5,118,294	3,484,533	8,602,827
Receivables - Net of Allowances			
Property Taxes	1,782,701	-	1,782,701
Accounts	897,802	776,005	1,673,807
Tap on Fees	-	13,675	13,675
Due from Other Governments	15,061	-	15,061
Prepays	49,928	22,334	72,262
Total Current Assets	<u>7,863,786</u>	<u>4,296,547</u>	<u>12,160,333</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	25,584,853	937,200	26,522,053
Depreciable	44,363,166	22,134,565	66,497,731
Accumulated Depreciation	(21,783,444)	(6,153,011)	(27,936,455)
Total Noncurrent Assets	<u>48,164,575</u>	<u>16,918,754</u>	<u>65,083,329</u>
Total Assets	<u>56,028,361</u>	<u>21,215,301</u>	<u>77,243,662</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	54,119	30,942	85,061
Deferred Items - Police Pension	1,063,743	-	1,063,743
Total Deferred Outflows of Resources	<u>1,117,862</u>	<u>30,942</u>	<u>1,148,804</u>
Total Assets and Deferred Outflows of Resources	<u>57,146,223</u>	<u>21,246,243</u>	<u>78,392,466</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	\$ 19,896	26,292	46,188
Accrued Payroll	59,033	15,937	74,970
Accrued Interest Payable	192,541	-	192,541
Other Payables	553,636	553,636	1,107,272
Current Portion of Long-Term Liabilities	257,859	24,230	282,089
Total Current Liabilities	<u>1,082,965</u>	<u>620,095</u>	<u>1,703,060</u>
Noncurrent Liabilities			
Compensated Absences Payable	12,435	1,260	13,695
Net Pension Liability - IMRF	304,280	173,973	478,253
Net Pension Liability - Police Pension	2,144,402	-	2,144,402
General Obligation Bonds Payable	964,496	-	964,496
Tax Increment Revenue Note Payable	6,970,100	-	6,970,100
Installment Notes Payable	565,374	-	565,374
IEPA Loan Payable	-	452,273	452,273
Total Noncurrent Liabilities	<u>10,961,087</u>	<u>627,506</u>	<u>11,588,593</u>
Total Liabilities	<u>12,044,052</u>	<u>1,247,601</u>	<u>13,291,653</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Items - IMRF	43,214	24,708	67,922
Deferred Items - Police Pension	119,888	-	119,888
Property Taxes	1,782,701	-	1,782,701
Total Deferred Inflows of Resources	<u>1,945,803</u>	<u>24,708</u>	<u>1,970,511</u>
Total Liabilities and Deferred Inflows of Resources	<u>13,989,855</u>	<u>1,272,309</u>	<u>15,262,164</u>
NET POSITION			
Net Investment in Capital Assets	39,409,855	16,442,566	55,852,421
Restricted - Public Safety	15,665	-	15,665
Restricted - Designated Reserves	1,010,361	-	1,010,361
Restricted - Highways and Streets	1,644,004	-	1,644,004
Restricted - Capital Projects	946,045	-	946,045
Unrestricted (Deficit)	130,438	3,531,368	3,661,806
Total Net Position	<u>43,156,368</u>	<u>19,973,934</u>	<u>63,130,302</u>

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, 2017**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 1,895,748	1,693,644	25,150	-
Public Safety	1,627,273	300	-	-
Public Works	952,705	-	195,081	-
Parks and Recreation	67,649	-	-	-
Interest on Long-Term Debt	447,680	-	-	-
Total Governmental Activities	4,991,055	1,693,944	220,231	-
Business-Type Activities				
Utility	1,750,744	1,681,690	-	-
Total Primary Government	6,741,799	3,375,634	220,231	-

General Revenues
 Taxes
 Property
 Replacement
 Utility
 Intergovernmental - Unrestricted
 Income Taxes
 Sales and Use Taxes
 Interest
 Miscellaneous

Change in Net Position

Net Position - Beginning

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
(176,954)	-	(176,954)
(1,626,973)	-	(1,626,973)
(757,624)	-	(757,624)
(67,649)	-	(67,649)
(447,680)	-	(447,680)
(3,076,880)	-	(3,076,880)
-	(69,054)	(69,054)
(3,076,880)	(69,054)	(3,145,934)
1,569,714	-	1,569,714
305	-	305
419,928	-	419,928
650,236	-	650,236
672,627	-	672,627
71,803	62,178	133,981
113,899	-	113,899
3,498,512	62,178	3,560,690
421,632	(6,876)	414,756
42,734,736	19,980,810	62,715,546
43,156,368	19,973,934	63,130,302

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

VILLAGE OF GILBERTS, ILLINOIS

**Balance Sheet - Governmental Funds
April 30, 2017**

	General	Capital Projects TIF #2	Nonmajor	Totals
ASSETS				
Cash and Investments	\$ 4,349,923	85,203	683,168	5,118,294
Receivables - Net of Allowances				
Property Taxes	1,069,847	643,659	69,195	1,782,701
Accounts	897,802	-	-	897,802
Due from Other Governments	-	-	15,061	15,061
Prepays	49,928	-	-	49,928
Total Assets	<u>6,367,500</u>	<u>728,862</u>	<u>767,424</u>	<u>7,863,786</u>
LIABILITIES				
Accounts Payable	19,896	-	-	19,896
Accrued Payroll	59,033	-	-	59,033
Other Payables	553,636	-	-	553,636
Total Liabilities	<u>632,565</u>	<u>-</u>	<u>-</u>	<u>632,565</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	1,069,847	643,659	69,195	1,782,701
Total Liabilities and Deferred Inflows of Resources	<u>1,702,412</u>	<u>643,659</u>	<u>69,195</u>	<u>2,415,266</u>
FUND BALANCES				
Nonspendable	49,928	-	-	49,928
Restricted	2,832,643	85,203	698,229	3,616,075
Unassigned	1,782,517	-	-	1,782,517
Total Fund Balances	<u>4,665,088</u>	<u>85,203</u>	<u>698,229</u>	<u>5,448,520</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>6,367,500</u>	<u>728,862</u>	<u>767,424</u>	<u>7,863,786</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, 2017

Total Governmental Fund Balances \$ 5,448,520

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. 48,164,575

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

 Deferred Items - IMRF 10,905

 Deferred Items - Police Pension 943,855

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

 Compensated Absences Payable (15,544)

 Net Pension Liability - IMRF (304,280)

 Net Pension Liability - Police Pension (2,144,402)

 General Obligation Bonds Payable (1,196,153)

 Tax Increment Revenue Note Payable (6,970,100)

 Installment Notes Payable (588,467)

 Accrued Interest Payable (192,541)

Net Position of Governmental Activities 43,156,368

VILLAGE OF GILBERTS, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2017**

	General	Capital Projects TIF #2	Nonmajor	Totals
Revenues				
Taxes	\$ 1,470,299	464,867	54,476	1,989,642
Licenses, Permits and Fees	263,796	-	-	263,796
Intergovernmental	1,348,318	-	195,081	1,543,399
Charges for Services	1,388,805	-	-	1,388,805
Fines and Forfeits	41,343	-	-	41,343
Interest	67,586	802	3,415	71,803
Miscellaneous	113,899	-	-	113,899
Total Revenues	4,694,046	465,669	252,972	5,412,687
Expenditures				
Current				
General Government	919,108	2,256	-	921,364
Public Safety	1,386,741	-	-	1,386,741
Public Works	884,635	-	-	884,635
Parks and Recreation	67,649	-	-	67,649
Capital Outlay	318,524	-	-	318,524
Debt Service				
Principal Retirement	266,339	66,200	-	332,539
Interest and Fiscal Charges	71,010	351,796	-	422,806
Total Expenditures	3,914,006	420,252	-	4,334,258
Excess (Deficiency) of Revenues Over (Under) Expenditures	780,040	45,417	252,972	1,078,429
Other Financing Sources (Uses)				
Debt Issuance	593,824	-	-	593,824
Payment to Escrow Agent	(593,824)	-	-	(593,824)
Transfers In	134,131	-	-	134,131
Transfers Out	-	-	(134,131)	(134,131)
	134,131	-	(134,131)	-
Net Change in Fund Balances	914,171	45,417	118,841	1,078,429
Fund Balances - Beginning	3,750,917	39,786	579,388	4,370,091
Fund Balances - Ending	4,665,088	85,203	698,229	5,448,520

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, 2017

Net Change in Fund Balances - Total Governmental Funds \$ 1,078,429

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	270,734
Depreciation Expense	(1,134,504)
Disposals - Cost	(72,305)
Disposals - Accumulated Depreciation	71,992

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

Change in Deferred Items - IMRF	(53,086)
Change in Deferred Items - Police Pension	(206,710)

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.

Additions to Compensated Absences Payable	(2,345)
Deductions to Net Pension Liability - IMRF	150,204
Deductions to Net Pension Liability - Police Pension	11,558
Issuance of Debt	(593,824)
Retirement of Debt	926,363

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.

(24,874)

Changes in Net Position of Governmental Activities

421,632

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, 2017**

	<u>Business-Type Activities Utility</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 3,484,533
Receivables - Net of Allowances	
Accounts - Customer	776,005
Tap on Fees - Old Town	13,675
Prepays	22,334
Total Current Assets	<u>4,296,547</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	937,200
Depreciable	22,134,565
Accumulated Depreciation	<u>(6,153,011)</u>
Total Noncurrent Assets	<u>16,918,754</u>
Total Assets	21,215,301
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>30,942</u>
Total Assets and Deferred Outflows of Resources	<u>21,246,243</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	26,292
Accrued Payroll	15,937
Other Payables	553,636
Compensated Absences	315
IEPA Loan Payable	23,915
Total Current Liabilities	<u>620,095</u>
Noncurrent Liabilities	
Compensated Absences	1,260
Net Pension Liability - IMRF	173,973
IEPA Loan Payable	452,273
Total Noncurrent Liabilities	<u>627,506</u>
Total Liabilities	1,247,601
DEFERRED INFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>24,708</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,272,309</u>
NET POSITION	
Net Investment in Capital Assets	16,442,566
Unrestricted	<u>3,531,368</u>
Total Net Position	<u>19,973,934</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, 2017

	<u>Business-Type Activities Utility</u>
Operating Revenues	
Charges for Services	\$ 1,567,795
Sales of Water Meters	36,416
Other Operating Revenues	1,353
Total Operating Revenues	<u>1,605,564</u>
Operating Expenses	
Operations	
Water	727,750
Wastewater	536,372
Depreciation	477,091
Total Operating Expenses	<u>1,741,213</u>
Operating Income (Loss)	<u>(135,649)</u>
Nonoperating Revenues (Expenses)	
Interest Income	62,178
Tap-On Fees	76,126
Interest Expense	(9,531)
	<u>128,773</u>
Change in Net Position	(6,876)
Net Position - Beginning	<u>19,980,810</u>
Net Position - Ending	<u><u>19,973,934</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, 2017**

	Business-Type Activities <u>Utility</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 1,636,421
Payments to Suppliers	(870,971)
Payments to Employees	(299,166)
	<u>466,284</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(62,053)
Interest on Installment Loan	(9,531)
Principal Paid on Installment Loan	(23,460)
	<u>(95,044)</u>
Cash Flows from Investing Activities	
Interest Received	<u>62,178</u>
Net Change in Cash and Cash Equivalents	433,418
Cash and Cash Equivalents - Beginning	<u>3,051,115</u>
Cash and Cash Equivalents - Ending	<u><u>3,484,533</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(135,649)
Adjustments to Reconcile Operating Income Income to Net Cash Provided by (Used in) Operating Activities:	
Other Income (Expense)	76,126
Depreciation Expense	477,091
(Increase) Decrease in Current Assets	(45,269)
Increase (Decrease) in Current Liabilities	93,985
	<u>466,284</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, 2017

	Police Pension Trust	Agency
ASSETS		
Cash and Cash Equivalents	\$ 723,377	3,515,335
Investments		
U.S. Government and Agency Securities	583,828	-
Corporate Bonds	617,340	-
Mutual Funds	218,034	-
Receivables - Net of Allowances		
Accrued Interest	<u>11,356</u>	<u>-</u>
Total Assets	<u>2,153,935</u>	<u>3,515,335</u>
LIABILITIES		
Deposits Payable	-	260,785
Due to Other Governments	-	16,400
Due to Bondholders	<u>-</u>	<u>3,238,150</u>
Total Liabilities	<u>-</u>	<u>3,515,335</u>
NET POSITION		
Net Position Restricted for Pensions	<u>2,153,935</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, 2017**

	<u>Police Pension Trust</u>
Additions	
Contributions - Employer	\$ 246,974
Contributions - Plan Members	<u>55,531</u>
Total Contributions	<u>302,505</u>
Investment Income	
Interest Earned	42,491
Net Change in Fair Value	<u>4,743</u>
	47,234
Less Investment Expenses	<u>(10,819)</u>
Net Investment Income	<u>36,415</u>
Total Additions	338,920
Deductions	
Administration	<u>16,276</u>
Change in Fiduciary Net Position	322,644
Net Position Restricted for Pensions	
Beginning	<u>1,831,291</u>
Ending	<u><u>2,153,935</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, 2017

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. The pension board consists of two members appointed by the Village President, one elected member by pension beneficiaries and two elected members are active police employees. 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, 2017

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, 2017

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, 2017

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, 2017

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, 2017

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, 2017

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 generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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.

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.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

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.

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

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

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.

Deferred Outflows/Inflows of Resources

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

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.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Net Position – Continued

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.”

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.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

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.

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

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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 \$4,614,000 and the bank balances totaled \$4,648,840. In addition, the Village has \$3,988,827 invested in the Illinois Funds at year-end which are measured at net asset value determined by the pool.

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 amount of the 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.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

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

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 does not have any investments over 5 percent of cash and investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

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 \$723,377 and the bank balances totaled \$723,377.

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	\$ 543,619	105,708	297,528	140,383	-
U.S. Agencies	40,209	14,977	25,232	-	-
Corporate Bonds	617,340	70,712	418,282	128,346	-
	1,201,168	191,397	741,042	268,729	-

The Fund has the following recurring fair value measurements as of April 30, 2017:

Investments by Fair Value Level	April 30, 2017	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasuries	\$ 543,619	543,619	-	-
U.S. Agencies	40,209	-	40,209	-
Corporate Bonds	617,340	-	617,340	-
Equity Securities				
Mutual Funds	218,034	218,034	-	-
Total Investments by Fair Value Level	1,419,202	761,653	657,549	-

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Interest Rate Risk. 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. Treasuries are rated AAA by Moody's, U.S. Agency Securities are rated AA+ by Standards & Poor's and the Corporate Bonds are rated AA- to BBB+ by Standards & Poor'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. At year-end, the Fund does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments). In addition to the securities and fair values listed above, the Fund also has \$218,034 invested in mutual funds.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

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%	7.1%
Equities	10%	3.1%
Cash and Cash Equivalents	0%	1.4%

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 2017 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, 2017 are listed in the table above.

Rate of Return

For the year ended April 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.84%. 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 2016 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, 2017**

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	996,085	117,726	1,113,811	-
	<u>26,580,938</u>	<u>117,726</u>	<u>1,113,811</u>	<u>25,584,853</u>
Depreciable Capital Assets				
Land Improvements	994,407	1,113,811	-	2,108,218
Buildings and Structures	2,184,371	-	-	2,184,371
Machinery and Equipment	1,418,202	153,008	72,305	1,498,905
Infrastructure	38,571,672	-	-	38,571,672
	<u>43,168,652</u>	<u>1,266,819</u>	<u>72,305</u>	<u>44,363,166</u>
Less Accumulated Depreciation				
Land Improvements	541,941	90,791	-	632,732
Buildings and Structures	794,454	43,687	-	838,141
Machinery and Equipment	1,097,368	96,781	71,992	1,122,157
Infrastructure	18,287,169	903,245	-	19,190,414
	<u>20,720,932</u>	<u>1,134,504</u>	<u>71,992</u>	<u>21,783,444</u>
Total Net Depreciable Capital Assets	<u>22,447,720</u>	<u>132,315</u>	<u>313</u>	<u>22,579,722</u>
Total Net Capital Assets	<u>49,028,658</u>	<u>250,041</u>	<u>1,114,124</u>	<u>48,164,575</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 1,021,054
Public Safety	45,380
Public Works	<u>68,070</u>
	<u>1,134,504</u>

VILLAGE OF GILBERTS, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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 Structures	12,146,477	62,053	-	12,208,530
Infrastructure	9,926,035	-	-	9,926,035
	<u>22,072,512</u>	<u>62,053</u>	<u>-</u>	<u>22,134,565</u>
Less Accumulated Depreciation				
Buildings and Structures	3,107,374	278,570	-	3,385,944
Infrastructure	2,568,546	198,521	-	2,767,067
	<u>5,675,920</u>	<u>477,091</u>	<u>-</u>	<u>6,153,011</u>
Total Net Depreciable Capital Assets	<u>16,396,592</u>	<u>(415,038)</u>	<u>-</u>	<u>15,981,554</u>
Total Net Capital Assets	<u>17,333,792</u>	<u>(415,038)</u>	<u>-</u>	<u>16,918,754</u>

Depreciation expense was charged to business-type as follows:

Utility	<u>\$ 477,091</u>
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INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Nonmajor Governmental	<u>\$ 134,131</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, 2017**

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	\$ 191,536	-	35,383	156,153
\$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	1,230,000	-	190,000	1,040,000
		1,421,536	-	225,383	1,196,153

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. The notes shall not be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the Village. 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	\$ 7,036,300	-	66,200	6,970,100

VILLAGE OF GILBERTS, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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	\$ 610,810	-	593,824 * 16,986	-
\$71,000 Installment Note Payable of 2012A - Due in annual installments of \$19,236 including interest at 3.25% through October 9, 2016.	General	18,613	-	18,613	-
\$593,824 Installment Note Payable of 2017 - Due in annual installments of \$42,126 including interest at 3.25% through January 9, 2022.	General	-	593,824	5,357	588,467
		629,423	593,824	634,780	588,467

* Refunded

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	\$ 499,648	-	23,460	476,188

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements April 30, 2017

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	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 13,199	4,690	2,345	15,544	3,109
Net Pension Liability - IMRF	454,484	-	150,204	304,280	-
Net Pension Liability - Police Pension	2,155,960	-	11,558	2,144,402	-
General Obligation Bonds	1,421,536	-	225,383	1,196,153	231,657
Tax Increment Revenue Note Payable	7,036,300	-	66,200	6,970,100	-
Installment Notes Payable	629,423	593,824	634,780	588,467	23,093
	<u>11,710,902</u>	<u>598,514</u>	<u>1,090,470</u>	<u>11,218,946</u>	<u>257,859</u>
Business-Type Activities					
Compensated Absences	3,214	1,639	3,278	1,575	315
Net Pension Liability - IMRF	90,747	83,226	-	173,973	-
IEPA Loan Payable	499,648	-	23,460	476,188	23,915
	<u>593,609</u>	<u>84,865</u>	<u>26,738</u>	<u>651,736</u>	<u>24,230</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, 2017

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
2018	\$ 231,657	44,582	23,093	19,034	23,915	9,075
2019	238,123	37,266	23,865	18,261	24,379	8,611
2020	244,781	29,606	24,616	17,510	24,852	8,139
2021	256,592	19,596	25,487	16,639	25,334	7,657
2022	225,000	9,000	491,406	11,975	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>1,196,153</u>	<u>140,050</u>	<u>588,467</u>	<u>83,419</u>	<u>476,188</u>	<u>84,656</u>

Noncommitment Debt

Special Service Area Bonds

Special service area bonds outstanding as of the date of this report totaled \$35,213,000. 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, 2017:

Special Service Area #9	\$ 15,740,000
Special Service Area #15	10,705,000
Special Service Area #24	<u>8,768,000</u>
	<u>35,213,000</u>

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

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

Assessed Valuation - 2016 Levy	<u>\$ 184,272,024</u>
Legal Debt Limit - 8.625% of Assessed Value	15,893,462
Amount of Debt Applicable to Limit	<u>588,467</u>
Legal Debt Margin	<u>15,304,995</u>

NET POSITION/ FUND BALANCE

Net Position Classifications

Net Investment in capital assets was comprised of the following as of April 30, 2017:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 48,164,575
Less Capital Related Debt:	
Taxable General Obligation ARS Bonds of 2010	(156,153)
General Obligation ARS Bonds of 2011	(1,040,000)
Tax Increment Revenue Note of 2014	(6,970,100)
Installment Note Payable of 2017	<u>(588,467)</u>
Net Investment in Capital Assets	<u>39,409,855</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	16,918,754
Less Capital Related Debt:	
IEPA Loan Payable of 2014	<u>(476,188)</u>
Net Investment in Capital Assets	<u>16,442,566</u>

VILLAGE OF GILBERTS, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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	\$ 49,928	-	-	49,928
Restricted				
Drug Forfeiture	15,665	-	-	15,665
Designated Reserves	1,010,361	-	-	1,010,361
Highways and Streets				
Road Improvement	1,009,744	-	634,260	1,644,004
Capital Projects	796,873	85,203	63,969	946,045
	<u>2,832,643</u>	<u>85,203</u>	<u>698,229</u>	<u>3,616,075</u>
Unassigned	1,782,517	-	-	1,782,517
Total Fund Balances	<u>4,665,088</u>	<u>85,203</u>	<u>698,229</u>	<u>5,448,520</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.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

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, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

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

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, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Plan Membership. As of December 31, 2016, the measurement date, 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	12
Active Plan Members	<u>16</u>
Total	<u><u>34</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 2016 was 12.22% of covered payroll.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2016. 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, 2016, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.50%
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, 2017**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (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 2012). 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 2012). 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 2012). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate

The discount rate used to measure the total pension liability was 7.50% and the discount rate used in the prior valuation was 7.46%. 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.

Discount Rate Sensitivity

The following presents the plan’s net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan’s net pension liability would be if it were calculated using a Single Discount Rate that is one percentage lower point or one percentage point higher:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	\$ 727,091	478,253	273,002

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2015	\$ 1,733,662	1,188,431	545,231
Changes for the Year:			
Service Cost	84,420	-	84,420
Interest on the Total Pension Liability	130,568	-	130,568
Difference Between Expected and Actual Experience of the Total Pension Liability	(57,450)	-	(57,450)
Changes of Assumptions	(9,228)	-	(9,228)
Contributions - Employer	-	95,277	(95,277)
Contributions - Employees	-	35,086	(35,086)
Net Investment Income	-	83,491	(83,491)
Benefit Payments, including Refunds of Employee Contributions	(51,249)	(51,249)	-
Other (Net Transfer)	-	1,434	(1,434)
Net Changes	97,061	164,039	(66,978)
Balances at December 31, 2016	1,830,723	1,352,470	478,253

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the year ended April 30, 2017, the Village recognized pension expense of \$91,348. At April 30, 2017, the Village reported deferred outflows of 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	\$ -	(60,516)	(60,516)
Change in Assumptions	-	(7,406)	(7,406)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	54,748	-	54,748
Total Pension Expense to be Recognized in Future Periods	54,748	(67,922)	(13,174)
Pension Contributions Made Subsequent to the Measurement Date	30,313	-	30,313
Total Deferred Amounts Related to IMRF	85,061	(67,922)	17,139

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
2018	\$ 18
2019	18
2020	19
2021	(12,361)
2022	(868)
Thereafter	-
Total	(13,174)

VILLAGE OF GILBERTS, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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. The pension board consists of two members appointed by the Village President, one elected member by pension beneficiaries and two elected members are active police employees.

Plan Membership. At April 30, 2017, 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, 2017

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, 2017, the Village's contribution was 42.47% of covered payroll.

Concentrations. At year-end, the Pension Plan does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF GILBERTS, ILLINOIS

**Notes to the Financial Statements
April 30, 2017**

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, 2017, using the following actuarial methods and assumptions:

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 an independent actuary for police in 2016. These rates are experience weighted with the raw rates as developed in the RP-2014 study, with blue collar adjustment and improved generationally using MP-2019 improvement rates.

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, 2017

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	\$ 3,022,886	2,144,402	1,456,591

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2016	\$ 3,987,251	1,831,291	2,155,960
Changes for the Year:			
Service Cost	245,683	-	245,683
Interest on the Total Pension Liability	199,363	-	199,363
Difference Between Expected and Actual Experience of the Total Pension Liability	(20,342)	-	(20,342)
Changes of Assumptions	(113,618)	-	(113,618)
Contributions - Employer	-	246,974	(246,974)
Contributions - Employees	-	55,531	(55,531)
Net Investment Income	-	36,415	(36,415)
Benefit Payments, including Refunds of Employee Contributions	-	-	-
Other (Net Transfer)	-	(16,276)	16,276
Net Changes	311,086	322,644	(11,558)
Balances at April 30, 2017	4,298,337	2,153,935	2,144,402

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

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, 2017, the Village recognized pension expense of \$442,125. At April 30, 2017, the Village reported deferred outflows of 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	\$ 44,004	(18,205)	25,799
Change in Assumptions	925,909	(101,683)	824,226
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	93,830	-	93,830
Total Deferred Amounts Related to Police Pension	<u>1,063,743</u>	<u>(119,888)</u>	<u>943,855</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
2018	\$ 135,055
2019	135,055
2020	135,052
2021	120,392
2022	107,931
Thereafter	<u>310,370</u>
Total	<u>943,855</u>

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements

April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Village has evaluated its potential other postemployment 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, there is minimal participation. As the Village provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Therefore, the Village has not recorded a liability as of April 30, 2017.

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, 2017**

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
2016	\$ 87,686	\$ 87,686	\$ -	\$ 757,867	11.57%
2017	95,277	95,277	-	779,682	12.22%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	27 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMFR specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).

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 Employer Contributions
April 30, 2017**

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%
2017	246,974	246,974	-	581,519	42.47%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	23 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	Illinois Police retirement rates capped at age 65
Mortality	Independent actuary study for Police 2016

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

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2017**

	December 31, 2015	December 31, 2016
Total Pension Liability		
Service Cost	\$ 81,971	84,420
Interest	120,854	130,568
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	(23,388)	(57,450)
Change of Assumptions	-	(9,228)
Benefit Payments, Including Refunds of Member Contributions	(49,643)	(51,249)
	<u>129,794</u>	<u>97,061</u>
Net Change in Total Pension Liability	129,794	97,061
Total Pension Liability - Beginning	1,603,868	1,733,662
	<u>1,733,662</u>	<u>1,830,723</u>
Total Pension Liability - Ending		
Plan Fiduciary Net Position		
Contributions - Employer	\$ 87,686	95,277
Contributions - Members	34,104	35,086
Net Investment Income	5,645	83,491
Benefit Payments, Including Refunds of Member Contributions	(49,643)	(51,249)
Other (Net Transfer)	17,661	1,434
	<u>95,453</u>	<u>164,039</u>
Net Change in Plan Fiduciary Net Position	95,453	164,039
Plan Net Position - Beginning	1,092,978	1,188,431
	<u>1,188,431</u>	<u>1,352,470</u>
Plan Net Position - Ending		
Employer's Net Pension Liability	\$ 545,231	478,253
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.55%	73.88%
Covered-Employee Payroll	\$ 757,867	779,682
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	71.94%	61.34%

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, 2017**

	2015	2016	2017
Total Pension Liability			
Service Cost	\$ 150,500	219,498	245,683
Interest	148,353	121,611	199,363
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(133,722)	55,076	(20,342)
Change of Assumptions	164,527	1,158,843	(113,618)
Benefit Payments, Including Refunds of Member Contributions	(33,536)	-	-
Net Change in Total Pension Liability	296,122	1,555,028	311,086
Total Pension Liability - Beginning	2,136,101	2,432,223	3,987,251
Total Pension Liability - Ending	2,432,223	3,987,251	4,298,337
Plan Fiduciary Net Position			
Contributions - Employer	\$ 113,747	117,040	246,974
Contributions - Members	49,223	52,985	55,531
Net Investment Income	28,068	13,528	36,415
Benefit Payments, Including Refunds of Member Contributions	(33,536)	-	-
Administrative Expense	(8,476)	(8,099)	(16,276)
Net Change in Plan Fiduciary Net Position	149,026	175,454	322,644
Plan Net Position - Beginning	1,506,811	1,655,837	1,831,291
Plan Net Position - Ending	1,655,837	1,831,291	2,153,935
Employer's Net Pension Liability	\$ 776,386	2,155,960	2,144,402
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.08%	45.93%	50.11%
Covered-Employee Payroll	\$ 504,182	534,657	581,519
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	153.99%	403.24%	368.76%

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, 2017**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	1.80%
2016	0.77%
2017	1.84%

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, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 1,482,380	1,450,375	1,470,299
Licenses, Permits and Fees	95,065	231,712	263,796
Intergovernmental	1,324,855	1,351,007	1,348,318
Charges for Services	1,114,884	1,316,420	1,388,805
Fines and Forfeits	66,040	35,020	41,343
Interest	3,162	41,773	67,586
Miscellaneous	70,575	115,575	113,899
Total Revenues	<u>4,156,961</u>	<u>4,541,882</u>	<u>4,694,046</u>
Expenditures			
General Government	1,010,791	1,013,783	919,108
Public Safety	1,450,498	1,419,610	1,386,741
Public Works	1,004,692	971,393	884,635
Parks and Recreation	52,965	74,305	67,649
Capital Outlay	267,590	321,117	318,524
Debt Service			
Principal Retirement	266,132	266,349	266,339
Interest and Fiscal Charges	74,175	73,958	71,010
Total Expenditures	<u>4,126,843</u>	<u>4,140,515</u>	<u>3,914,006</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>30,118</u>	<u>401,367</u>	<u>780,040</u>
Other Financing Sources (Uses)			
Debt Issuance	-	-	593,824
Payment to Escrow Agent	-	-	(593,824)
Transfers In	407,501	441,501	134,131
Transfers Out	(183,667)	(193,000)	-
	<u>223,834</u>	<u>248,501</u>	<u>134,131</u>
Net Change in Fund Balance	<u>253,952</u>	<u>649,868</u>	914,171
Fund Balance - Beginning			<u>3,750,917</u>
Fund Balance - Ending			<u>4,665,088</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 Schedule – Enterprise Fund
 - 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 accounts for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUND

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 FUND

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUND – 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, 2017**

	Budget		Actual
	Original	Final	
Taxes			
Property - General	\$ 1,034,935	1,042,930	1,042,930
Property - Road and Bridge	7,445	7,445	7,441
Utility - Communications	160,000	144,000	144,780
Utility - Gas	100,000	73,000	87,774
Utility - Electric	180,000	183,000	187,374
Total Taxes	1,482,380	1,450,375	1,470,299
Licenses, Permits and Fees			
Liquor Licenses	11,400	11,300	11,300
Business Licenses	1,525	2,900	2,825
Pulltabs and Jar Games License	1,000	862	1,852
Recycling	2,500	2,500	2,500
Vacant Building Registration	1,500	1,000	1,400
Raffle	100	100	80
Food Vendor Registration	-	250	400
Oversize Vehicle	2,000	1,000	1,090
Building Permits	38,170	125,000	144,976
Building Permits - Developer	30,870	78,000	86,083
ZBA/Planning Commission Hearings	-	1,000	1,500
Contractor Permits	6,000	7,800	9,790
Total Licenses, Permits and Fees	95,065	231,712	263,796
Intergovernmental			
State Income Tax	701,658	670,000	650,236
Replacement Tax	200	200	305
State Sales and Use Tax	601,657	655,657	672,627
Grants	21,340	25,150	25,150
Total Intergovernmental	1,324,855	1,351,007	1,348,318

VILLAGE OF GILBERTS, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Charges for Services			
Cable Franchise Fees	\$ 82,000	78,800	85,375
Refuse Removal Services	806,467	807,000	807,846
Police Reports	225	300	300
Impact Fees	178,872	383,000	442,222
Antenna Rental	46,620	46,620	52,317
Pavilion Rental	700	700	745
Total Charges for Services	<u>1,114,884</u>	<u>1,316,420</u>	<u>1,388,805</u>
Fines and Forfeitures			
Fines - Court	35,520	19,000	21,431
Police Enhanced DUI	28,000	12,000	13,452
Other	2,520	4,020	6,460
Total Fines and Forfeitures	<u>66,040</u>	<u>35,020</u>	<u>41,343</u>
Interest			
Investment Income	<u>3,162</u>	<u>41,773</u>	<u>67,586</u>
Miscellaneous			
Miscellaneous Income	<u>70,575</u>	<u>115,575</u>	<u>113,899</u>
Total Revenues	<u>4,156,961</u>	<u>4,541,882</u>	<u>4,694,046</u>

VILLAGE OF GILBERTS, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
General Government			
Administration			
Wages - Board	\$ 24,000	24,000	24,000
Wages - PC and ZBA	3,600	750	375
Wages - General	301,349	301,349	284,240
Wages - Overtime	250	250	-
Unemployment	4,000	4,135	4,134
IMRF	35,202	33,300	32,258
FICA	20,410	20,200	18,472
Medicare	4,773	4,730	4,320
Health Insurance	47,497	41,250	39,321
Operating Expenditures	3,000	3,000	3,089
Dues and Subscriptions	8,704	7,500	6,809
Legal Notices	1,990	1,990	2,054
Communications	8,120	7,800	7,435
Postage	4,020	4,020	3,191
Printing	11,400	9,000	8,100
Community Donations	17,500	6,200	6,868
Publications	200	200	-
Equipment Rental	5,580	5,740	5,334
Office Supplies	3,000	3,500	3,502
Legal - Litigation	15,000	7,115	-
Legal - Administration	50,000	70,000	57,781
Accounting Services	23,270	23,270	18,655
Storm Water Management	30,000	10,000	-
Bank Services	25	25	25
Liability Insurance	13,237	12,249	11,756
Vehicle and Equipment Insurance	5,390	5,079	4,818
Property Insurance	3,451	3,001	3,001
Workers' Compensation	5,022	4,559	4,520
Engineering Services	50,000	27,250	3,010
Gasoline and Oil	2,000	300	214
Safety/Personal Equipment	250	-	-
Maintenance - Vehicles	750	1,500	1,392
Maintenance - Equipment	1,000	1,000	122
Maintenance - Building	5,460	5,460	4,407
Contractual Services	26,481	24,781	20,258

VILLAGE OF GILBERTS, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
General Government - Continued			
Administration - Continued			
Meals and Entertainment	\$ 3,000	3,000	2,162
Village Planner Services	27,870	27,870	15,900
Training	8,000	8,000	7,246
Special Projects	1,400	1,400	1,015
Utility Tax	700	950	941
Reimbursed Expenditures	30,000	50,000	58,772
	<u>806,901</u>	<u>765,723</u>	<u>669,497</u>
Building			
Wages - General	117,568	117,568	117,489
Wages - Overtime	200	200	-
IMRF	14,391	14,391	13,915
FICA	7,302	7,302	7,046
Medicare	1,708	1,708	1,648
Health Insurance	13,731	13,731	13,415
Operating Expenditures	300	500	411
Dues and Subscriptions	450	360	360
Communications	720	750	683
Printing	350	800	774
Publications and Brochures	150	-	-
Office Supplies	2,500	2,500	2,051
Building Permits	4,000	3,000	2,911
Building Permits - Developer	30,870	76,000	81,710
Gasoline and Oil	1,300	1,300	1,110
Maintenance - Vehicles	1,000	1,600	1,451
Leasing	3,000	3,000	2,500
Uniforms	400	400	228
Contractual Services	2,700	2,700	1,909
Training	1,250	250	-
	<u>203,890</u>	<u>248,060</u>	<u>249,611</u>
Total General Government	<u>1,010,791</u>	<u>1,013,783</u>	<u>919,108</u>

VILLAGE OF GILBERTS, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Public Safety			
Police			
Wages - General	\$ 752,587	769,087	774,841
Wages - Overtime	31,000	14,500	10,176
IMRF	14,831	14,831	14,825
FICA	48,582	48,582	47,377
Medicare	11,362	11,362	11,080
Health Insurance	99,296	99,296	92,972
Pension Contributions	246,971	246,971	246,974
Operating Expenditures	1,500	1,500	1,550
Dues and Subscriptions	3,000	3,000	1,104
Legal Notices	-	500	298
Communications	8,600	5,883	5,809
Postage	500	-	-
Printing	300	300	92
Publications and Brochures	110	110	104
Small Tools and Equipment	500	500	337
Equipment Rental	2,616	2,300	2,296
Office Supplies	2,200	2,200	1,857
Legal Services	4,600	4,100	3,786
Dispatching	67,000	67,000	66,420
Insurance - Liability	4,652	4,871	4,378
Insurance - Vehicle	8,158	7,255	7,255
Insurance - Property	748	650	650
Insurance - Workers' Compensation	22,444	20,071	20,148
Gasoline and Oil	29,000	20,000	20,928
Maintenance - Vehicles	20,000	20,000	9,984
Maintenance - Equipment	3,000	3,000	2,861
Maintenance - Building	4,000	5,400	5,398
Uniforms	7,500	7,500	5,783
Contractual Services	18,416	18,416	17,905
DARE Community Relations	300	300	-
Training	8,250	7,650	3,077
Public Safety/Homeland Security	175	175	-
Drug/DUI Education and Awareness	28,000	12,000	6,476
Peer Jury Contributions	300	300	-
Total Public Safety	1,450,498	1,419,610	1,386,741

VILLAGE OF GILBERTS, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Public Works			
Wages - Regular	\$ 129,709	125,709	116,768
Wages - Overtime	8,959	12,959	8,374
IMRF	16,945	13,000	12,661
FICA	8,597	8,597	7,540
Medicare	2,011	2,011	1,763
Health Insurance	24,607	24,607	24,082
Operating Expenditures	1,250	1,250	279
Dues and Subscriptions	250	250	184
Legal Notices	100	200	121
Communications	3,190	2,900	2,849
Small Tools and Equipment	5,500	5,500	4,838
Equipment Rental	1,500	500	-
NPDES Fees	1,000	1,000	1,000
Street Lights	40,000	37,359	30,529
Liability Insurance	3,856	4,092	3,599
Vehicle and Equipment Insurance	3,856	2,534	2,233
Property Insurance	593	515	515
Workers' Compensation	12,206	12,723	12,821
73 Industrial - Upgrades	1,000	1,000	400
Gasoline and Oil	13,500	10,000	8,995
Maintenance - Vehicles	11,000	9,000	6,908
Maintenance - Equipment	8,000	8,000	7,185
Maintenance - Building	7,000	5,700	5,699
Maintenance - Streets	7,000	5,000	2,608
Maintenance - Grounds	3,500	3,500	2,855
Contractual Services	17,076	10,000	7,191
Snow Plowing and Salt	41,187	41,187	30,120
Uniforms	1,500	1,500	1,340
Refuse Disposal	622,000	613,000	578,393
Training	1,300	1,300	-
Minor Projects	6,500	6,500	2,785
Total Public Works	1,004,692	971,393	884,635

VILLAGE OF GILBERTS, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Parks and Recreation			
Wages - Regular	\$ 7,101	17,152	17,358
Wages - Overtime	300	400	348
IMRF	904	2,000	1,587
FICA	459	1,088	1,069
Medicare	107	255	250
Operating Expenditures	1,000	500	220
Utilities	3,150	4,406	4,278
Equipment Rental	2,500	2,500	50
Maintenance Supplies	1,600	1,600	1,622
Property Insurance	305	265	265
Gasoline and Oil	1,200	600	489
Maintenance - Sports and Playground Equipment	5,000	7,200	6,096
Maintenance - Equipment	5,000	10,000	9,070
Maintenance - Building	-	2,000	1,764
Maintenance - Grounds	20,000	20,000	19,489
Contractual Services	4,339	4,339	3,694
Total Parks and Recreation	52,965	74,305	67,649
Capital Outlay			
General Government			
Administration - Capital Equipment	60,000	66,700	66,651
Public Safety			
Capital Equipment	33,750	34,065	34,065
Public Works			
Projects	83,000	102,000	100,082
Parks and Recreation			
Park Projects	90,840	118,352	117,726
Total Capital Outlay	267,590	321,117	318,524
Debt Service			
Principal Retirement	266,132	266,349	266,339
Interest and Fiscal Charges	74,175	73,958	71,010
Total Debt Service	340,307	340,307	337,349
Total Expenditures	4,126,843	4,140,515	3,914,006

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, 2017**

	<u>Actual</u>
Revenues	
Taxes	
Property	\$ 464,867
Interest	802
Total Revenues	<u>465,669</u>
Expenditures	
General Government	
Contractual Services	
Legal Services	2,256
Debt Service	
Principal Retirement	66,200
Interest and Fiscal Charges	351,796
Total Expenditures	<u>420,252</u>
Net Change in Fund Balance	45,417
Fund Balance - Beginning	<u>39,786</u>
Fund Balance - Ending	<u><u>85,203</u></u>

VILLAGE OF GILBERTS, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

April 30, 2017

	<u>Special Revenue</u>	<u>Capital Projects</u>	
	Motor Fuel Tax	TIF #1	Totals
ASSETS			
Cash and Investments	\$ 619,199	63,969	683,168
Receivables - Net of Allowances			
Property Taxes	-	69,195	69,195
Due from Other Governments	15,061	-	15,061
Total Assets	<u>634,260</u>	<u>133,164</u>	<u>767,424</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	-	69,195	69,195
FUND BALANCES			
Restricted - Highways and Streets	634,260	-	634,260
Restricted - Capital Projects	-	63,969	63,969
Total Fund Balances	<u>634,260</u>	<u>63,969</u>	<u>698,229</u>
Total Deferred Inflows of Resources and Fund Balances	<u>634,260</u>	<u>133,164</u>	<u>767,424</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, 2017**

	Special Revenue	Capital Projects	
	Motor Fuel Tax	TIF #1	Totals
Revenues			
Taxes	\$ -	54,476	54,476
Intergovernmental	195,081	-	195,081
Interest	3,170	245	3,415
Total Revenues	<u>198,251</u>	<u>54,721</u>	<u>252,972</u>
Expenditures			
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	198,251	54,721	252,972
Other Financing (Uses)			
Transfers Out	<u>(134,131)</u>	<u>-</u>	<u>(134,131)</u>
Net Change in Fund Balances	64,120	54,721	118,841
Fund Balances - Beginning	<u>570,140</u>	<u>9,248</u>	<u>579,388</u>
Fund Balances - Ending	<u><u>634,260</u></u>	<u><u>63,969</u></u>	<u><u>698,229</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, 2017**

	<u>Actual</u>
Revenues	
Intergovernmental	\$ 195,081
Interest	<u>3,170</u>
Total Revenues	198,251
Expenditures	
Capital Outlay	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	198,251
Other Financing (Uses)	
Transfers Out	<u>(134,131)</u>
Net Change in Fund Balance	64,120
Fund Balance - Beginning	<u>570,140</u>
Fund Balance - Ending	<u><u>634,260</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, 2017**

	<u>Actual</u>
Revenues	
Taxes	
Property	\$ 54,476
Interest	245
Total Revenues	<u>54,721</u>
Expenditures	
Capital Outlay	<u>-</u>
Net Change in Fund Balance	54,721
Fund Balance - Beginning	<u>9,248</u>
Fund Balance - Ending	<u><u>63,969</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, 2017**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,440,934	1,561,200	1,567,795
Sales of Water Meters	14,900	27,000	36,416
Other Operating Revenues	500	1,500	1,353
Total Operating Revenues	<u>1,456,334</u>	<u>1,589,700</u>	<u>1,605,564</u>
Operating Expenses			
Operations			
Water	726,450	733,429	727,750
Wastewater	693,317	634,082	536,372
Total Operating Expenses	<u>1,419,767</u>	<u>1,367,511</u>	<u>1,264,122</u>
Operating Income	<u>36,567</u>	<u>222,189</u>	<u>341,442</u>
Nonoperating Revenues (Expenses)			
Interest Income	9,900	45,205	62,178
Tap-On Fees	-	43,200	76,126
Interest Expense	-	-	(9,531)
	<u>9,900</u>	<u>88,405</u>	<u>128,773</u>
Budgetary Net Income Before GAAP Item	<u>46,467</u>	<u>310,594</u>	470,215
GAAP Item - Depreciation			<u>(477,091)</u>
Change in Net Position			(6,876)
Net Position - Beginning			<u>19,980,810</u>
Net Position - Ending			<u>19,973,934</u>

VILLAGE OF GILBERTS, ILLINOIS

Utility - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Operations			
Water			
Wages	\$ 168,296	162,107	158,331
Fringe Benefits	66,870	67,660	156,637
Dues	900	900	778
Communications	2,725	3,444	3,261
Operating Expenses	28,900	26,775	21,227
Small Tools	3,500	3,500	3,295
Outside Services	10,000	9,000	7,290
Legal	3,000	1,000	488
Supplies	8,300	8,050	5,047
Chemicals	35,000	35,000	27,242
Liability Insurance	2,476	2,889	2,396
Property Insurance	10,426	9,066	9,066
Workers Compensation Insurance	5,815	5,138	5,183
Engineering Services	15,000	23,000	23,805
Maintenance - Building	2,000	2,000	1,922
Maintenance - Hydrant	3,000	8,000	6,201
Contractual Services	47,320	43,000	44,309
Water Meters	83,000	95,400	96,331
Testing	18,000	15,600	6,931
Training Expense	3,500	3,500	1,053
Water Distribution Systems	20,000	25,000	21,096
Brine Hauling	50,000	48,000	38,365
Gas	1,200	1,200	1,172
Electric	109,722	103,500	86,324
Capital Equipment	27,500	30,700	-
Total Water	726,450	733,429	727,750

VILLAGE OF GILBERTS, ILLINOIS

Utility - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Operations - Continued			
Wastewater			
Wages	\$ 168,296	146,289	140,835
Fringe Benefits	66,872	64,913	53,274
Communications	3,616	4,738	4,339
Operating Expenses	29,100	30,100	25,014
Small Tools	3,000	3,000	3,024
Outside Services	10,000	10,000	7,707
Sludge Hauling/Special Permits	27,000	27,000	25,653
NPDES II Fees	17,500	17,500	17,500
Supplies	10,500	8,050	5,976
Chemicals	40,000	45,000	47,671
Liability Insurance	2,472	3,029	2,443
Property Insurance	12,560	10,921	10,921
Workers Compensation Insurance	2,436	2,687	2,361
Engineering Services	15,000	4,000	-
Maintenance - Building	2,500	2,500	330
Contractual Services	21,580	20,780	12,385
Lab Testing	42,000	40,000	36,751
Training Expense	3,500	3,000	367
Repairs - Wastewater Collection System	35,000	15,000	2,761
Collection System Pump Maintenance	10,150	10,150	8,950
Gas	4,770	5,025	4,259
Electric	137,965	129,000	123,851
Capital Equipment	27,500	31,400	-
Total Wastewater	693,317	634,082	536,372
Total Operations	1,419,767	1,367,511	1,264,122

VILLAGE OF GILBERTS, ILLINOIS

**Combining Statement of Changes in Assets and Liabilities - Agency Funds
For the Fiscal Year Ended April 30, 2017**

	Beginning Balances	Additions	Deductions	Ending Balances
All Funds				
ASSETS				
Cash and Investments	\$ 3,552,093	107,705	144,463	3,515,335
LIABILITIES				
Deposits Payable	263,289	-	2,504	260,785
Due to Other Governments	16,930	-	530	16,400
Due to Bondholders	3,271,874	107,705	141,429	3,238,150
Total Liabilities	3,552,093	107,705	144,463	3,515,335
Performance Bond Fund				
ASSETS				
Cash and Investments	280,219	-	3,034	277,185
LIABILITIES				
Deposits Payable	263,289	-	2,504	260,785
Due to Other Governments	16,930	-	530	16,400
Total Liabilities	280,219	-	3,034	277,185
Special Service Area #9 Fund				
ASSETS				
Cash and Investments	1,968,530	-	141,429	1,827,101
LIABILITIES				
Due to Bondholders	1,968,530	-	141,429	1,827,101

	Beginning Balances	Additions	Deductions	Ending Balances
Special Service Area #15 Fund				
ASSETS				
Cash and Investments	\$ 1,110,075	11,453	-	1,121,528
LIABILITIES				
Due to Bondholders	1,110,075	11,453	-	1,121,528
Special Service Area #24 Fund				
ASSETS				
Cash and Investments	193,269	96,252	-	289,521
LIABILITIES				
Due to Bondholders	193,269	96,252	-	289,521

SUPPLEMENTAL SCHEDULES

VILLAGE OF GILBERTS, ILLINOIS

Schedule of Long-Term Debt Requirements

**Taxable General Obligation Alternate Revenue Source Bonds of 2010
April 30, 2017**

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
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>156,153</u>	<u>18,200</u>	<u>174,353</u>		<u>9,100</u>		<u>9,100</u>

VILLAGE OF GILBERTS, ILLINOIS

Schedule of Long-Term Debt Requirements

**General Obligation Alternate Revenue Source Bonds of 2011
April 30, 2017**

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
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>1,040,000</u>	<u>121,850</u>	<u>1,161,850</u>		<u>60,925</u>		<u>60,925</u>

VILLAGE OF GILBERTS, ILLINOIS

Schedule of Long-Term Debt Requirements

Installment Note Payable of 2017

April 30, 2017

Date of Issue	January 9, 2012
Date of Maturity	January 9, 2022
Principal Amount	\$593,824
Interest Rate	3.25%
Interest Date	9th of Each Month
Principal Maturity Dates	9th of Each Month
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>
2018	\$ 23,093	19,034	42,127
2019	23,865	18,261	42,126
2020	24,616	17,510	42,126
2021	25,487	16,639	42,126
2022	491,406	11,975	503,381
	<u>588,467</u>	<u>83,419</u>	<u>671,886</u>

VILLAGE OF GILBERTS, ILLINOIS

Schedule of Long-Term Debt Requirements

**IEPA (L17-4866) Loan Payable of 2014
April 30, 2017**

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
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>476,188</u>	<u>84,656</u>	<u>560,844</u>		<u>43,473</u>		<u>41,183</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, 2017 (Unaudited)

See Following Page

VILLAGE OF GILBERTS, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
April 30, 2017 (Unaudited)

	2008	2009	2010
Governmental Activities			
Net Investment in Capital Assets	\$ 45,717,138	45,238,071	45,848,824
Restricted	2,924,369	2,868,011	2,206,117
Unrestricted	266,989	(141,207)	(315,287)
Total Governmental Activities Net Position	48,908,496	47,964,875	47,739,654
Business-Type Activities			
Net Investment in Capital Assets	18,331,282	19,523,353	19,099,910
Unrestricted	2,767,205	2,759,545	2,789,698
Total Business-Type Activities Net Position	21,098,487	22,282,898	21,889,608
Primary Government			
Net Investment in Capital Assets	64,048,420	64,761,424	64,948,734
Restricted	2,924,369	2,868,011	2,206,117
Unrestricted	3,034,194	2,618,338	2,474,411
Total Primary Government Net Position	70,006,983	70,247,773	69,629,262

* Accrual Basis of Accounting

Data Source: Village Records

2011	2012	2013	2014	2015	2016	2017
40,018,951	44,202,537	43,563,176	42,863,643	43,154,673	42,295,178	39,409,855
2,971,574	2,625,289	2,723,864	2,878,238	1,854,665	2,821,922	3,616,075
(439,447)	88,641	561,746	1,346,579	1,804,220	(2,382,364)	130,438
42,551,078	46,916,467	46,848,786	47,088,460	46,813,558	42,734,736	43,156,368
18,676,467	18,376,762	18,055,760	17,866,099	17,282,018	16,834,144	16,442,566
2,758,542	2,800,301	3,028,960	3,148,649	3,089,550	3,146,666	3,531,368
21,435,009	21,177,063	21,084,720	21,014,748	20,371,568	19,980,810	19,973,934
58,695,418	62,579,299	61,618,936	60,729,742	60,436,691	59,129,322	55,852,421
2,971,574	2,625,289	2,723,864	2,878,238	1,854,665	2,821,922	3,616,075
2,319,095	2,888,942	3,590,706	4,495,228	4,893,770	764,302	3,661,806
63,986,087	68,093,530	67,933,506	68,103,208	67,185,126	62,715,546	63,130,302

VILLAGE OF GILBERTS, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years*
 April 30, 2017 (Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities										
General Government	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	1,895,748
Public Safety	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	1,627,273
Public Works	5,045,465	591,327	846,563	461,833	811,006	890,430	949,598	1,015,222	946,645	952,705
Parks and Recreation	11,177	18,958	26,047	20,793	33,550	25,094	29,762	14,433	46,010	67,649
Interest on Long-Term Debt	36,204	32,475	34,709	50,240	47,571	92,707	85,674	81,620	511,720	447,680
Total Governmental Activities Expenses	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	4,991,055
Business-Type Activities										
Utility	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	1,750,744
Total Primary Government Expenses	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	6,741,799
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	760,273	454,299	471,189	533,193	1,154,509	1,112,989	1,168,243	1,094,229	1,405,678	1,693,644
Public Safety	345	2,010	315	230	170	215	245	370	290	300
Public Works	132,464	-	-	-	-	-	-	-	-	-
Operating Grants/Contributions	-	177,354	187,060	202,328	221,036	228,177	571,448	712,209	200,479	220,231
Capital Grants/Contributions	-	-	-	-	676,552	-	-	-	4,682,521	-
Total Governmental Activities Program Revenues	893,082	633,663	658,564	735,751	2,052,267	1,341,381	1,739,936	1,806,808	6,288,968	1,914,175
Business-Type Activities										
Charges for Services	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	1,681,690
Utility	-	-	-	-	-	-	-	170,238	-	-
Capital Grants/Contributions	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	1,681,690
Total Primary Government Program Revenues	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	3,595,865

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net (Expenses) Revenues										
Governmental Activities	(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)	(3,076,880)
Business-Type Activities	(145,475)	(439,226)	(396,661)	(456,033)	(259,338)	(94,725)	(210,850)	(96,031)	(402,064)	(69,054)
Total Primary Government	(8,058,565)	(3,641,359)	(3,839,935)	(3,026,571)	(2,210,779)	(2,858,877)	(3,094,575)	(4,013,283)	(6,862,885)	(3,145,934)
Net (Expenses) Revenues										
Governmental Activities	690,985	772,740	869,696	930,188	943,158	935,382	975,625	1,098,562	1,373,173	1,569,714
Taxes	406,043	550,097	505,453	496,180	555,599	619,939	670,332	673,692	733,112	650,236
Property Income	374	342	303	337	304	301	345	251	341	305
Replacement Use	399,453	294,546	227,491	233,333	293,396	470,508	477,322	548,767	598,855	672,627
Utility	470,032	475,216	482,478	515,758	447,782	552,070	486,113	462,055	410,296	419,928
Miscellaneous	339,654	86,010	46,428	33,112	20,573	23,141	18,574	42,482	87,159	71,803
Gain on Sale of Capital Assets	126,585	79,561	51,017	76,985	56,018	95,130	495,088	241,817	181,905	113,899
Contributions	-	-	3,860	-	-	-	-	-	-	-
Transfers	-	-	1,031,327	-	-	-	-	-	-	-
Total Governmental Activities	2,433,126	2,258,512	3,218,053	2,285,893	2,316,830	2,696,471	3,123,399	3,642,350	3,384,841	3,498,512
Business-Type Activities	49,349	8,123	3,371	1,434	1,392	2,382	140,878	27,575	81,743	62,178
Interest	-	1,615,514	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	(574,724)	-	-
Total Business-Type Activities	49,349	1,623,637	3,371	1,434	1,392	2,382	140,878	(547,149)	81,743	62,178
Total Primary Government	2,482,475	3,882,149	3,221,424	2,287,327	2,318,222	2,698,853	3,264,277	3,095,201	3,466,584	3,560,690
Changes in Net Position										
Governmental Activities	(5,479,964)	(943,621)	(225,221)	(284,645)	365,389	(67,681)	239,674	(274,902)	(3,075,980)	421,632
Business-Type Activities	(96,126)	1,184,411	(393,290)	(454,599)	(257,946)	(92,343)	(69,972)	(643,180)	(320,321)	(6,876)
Total Primary Government	(5,576,090)	240,790	(618,511)	(739,244)	107,443	(160,024)	169,702	(918,082)	(3,396,301)	414,756

* Accrual Basis of Accounting

Data Source: Village Records

VILLAGE OF GILBERTS, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years*
April 30, 2017 (Unaudited)

	2008	2009	2010
General Fund			
Reserved	\$ 1,656,281	1,519,285	1,186,095
Unreserved	765,586	436,361	248,390
Nonspendable	-	-	-
Restricted	-	-	-
Unassigned	-	-	-
Total General Fund	<u>2,421,867</u>	<u>1,955,646</u>	<u>1,434,485</u>
All Other Governmental Funds			
Reserved	1,311,328	1,394,454	1,070,385
Unreserved, Reported in, Capital Projects Funds	(524,688)	(596,967)	(574,724)
Restricted	-	-	-
Unassigned	-	-	-
Total All Other Governmental Funds	<u>786,640</u>	<u>797,487</u>	<u>495,661</u>
Total Governmental Funds	<u><u>3,208,507</u></u>	<u><u>2,753,133</u></u>	<u><u>1,930,146</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.

2011	2012	2013	2014	2015	2016	2017
-	-	-	-	-	-	-
-	-	-	-	-	-	-
35,494	47,161	51,289	52,120	44,038	48,023	49,928
1,366,216	1,654,180	1,902,510	2,015,774	1,223,868	2,202,748	2,832,643
491,150	702,133	1,160,786	1,921,913	1,808,952	1,500,146	1,782,517
1,892,860	2,403,474	3,114,585	3,989,807	3,076,858	3,750,917	4,665,088
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,605,358	971,109	821,354	862,464	630,797	619,174	783,432
(574,724)	(574,724)	(574,724)	(574,724)	-	-	-
1,030,634	396,385	246,630	287,740	630,797	619,174	783,432
2,923,494	2,799,859	3,361,215	4,277,547	3,707,655	4,370,091	5,448,520

VILLAGE OF GILBERTS, ILLINOIS

Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years*
April 30, 2017 (Unaudited)

	2008	2009	2010
Revenues			
Taxes	\$ 1,161,017	1,247,957	1,352,174
Licenses, Permits and Fees	346,447	218,423	217,424
Intergovernmental	934,386	1,016,353	912,308
Charges for Services	330,568	154,195	186,067
Fines and Forfeitures	87,552	88,778	73,662
Interest	339,654	86,007	46,428
Contribution Revenue	-	-	-
Miscellaneous	126,584	80,462	53,367
Total Revenues	3,326,208	2,892,175	2,841,430
Expenditures			
General Government	1,858,063	1,436,212	1,441,493
Public Safety	1,085,247	1,127,269	1,089,104
Public Works	455,945	484,758	325,997
Parks and Recreation	11,177	4,560	33,879
Capital Outlay	4,837,026	249,715	821,747
Debt Service			
Principal Retirement	57,941	51,963	46,206
Interest and Fiscal Charges	35,333	33,260	32,009
Total Expenditures	8,340,732	3,387,737	3,790,435
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,014,524)	(495,562)	(949,005)
Other Financing Sources (Uses)			
Debt Issuance	-	40,188	122,158
Payment to Escrow Agent	-	-	-
Premium on Debt Issuance	-	-	-
Proceeds from Sale of Capital Assets	-	-	3,860
Transfers In	41,789	101,627	75,353
Transfers Out	(41,789)	(101,627)	(75,353)
Total Other Financing Sources (Uses)	-	40,188	126,018
Net Change in Fund Balances	(5,014,524)	(455,374)	(822,987)
Debt Service as a Percentage of Noncapital Expenditures	1.16%	2.77%	2.39%

* Modified Accrual Basis of Accounting
 Data Source: Village Records

2011	2012	2013	2014	2015	2016	2017
1,445,946	1,390,940	1,487,452	1,461,738	1,560,617	1,783,469	1,989,642
240,463	166,014	127,331	192,768	115,705	161,056	263,796
932,178	1,070,335	1,318,925	1,719,447	1,934,919	1,532,787	1,543,399
236,695	904,612	878,778	882,590	906,973	1,183,907	1,388,805
55,998	84,053	107,095	93,130	71,921	61,005	41,343
49,266	20,573	23,141	18,574	42,482	87,159	71,803
-	-	-	-	-	181,905	-
76,985	56,018	95,130	495,088	241,817	-	113,899
3,037,531	3,692,545	4,037,852	4,863,335	4,874,434	4,991,288	5,412,687
756,846	3,578,316	913,990	1,304,372	2,013,871	7,988,913	921,364
1,147,368	1,236,297	1,235,342	1,332,082	1,303,596	1,255,078	1,386,741
336,538	784,690	824,506	884,502	955,868	898,011	884,635
19,871	33,550	25,094	29,762	14,433	46,010	67,649
43,391	71,921	149,183	32,818	1,398,908	554,430	318,524
66,573	76,741	287,920	276,940	251,817	322,611	926,363
45,365	61,819	111,461	90,310	83,758	367,777	422,806
2,415,952	5,843,334	3,547,496	3,950,786	6,022,251	11,432,830	4,928,082
621,579	(2,150,789)	490,356	912,549	(1,147,817)	(6,441,542)	484,605
356,656	2,672,939	71,000	-	-	7,100,000	593,824
-	(699,309)	249,061	-	-	-	-
-	53,524	(249,061)	-	-	-	-
31,000	-	-	3,783	3,201	3,978	-
85,337	659,539	-	174,414	786,430	135,341	134,131
(85,337)	(659,539)	-	(174,414)	(211,706)	(135,341)	(134,131)
387,656	2,027,154	71,000	3,783	577,925	7,103,978	593,824
1,009,235	(123,635)	561,356	916,332	(569,892)	662,436	1,078,429
4.63%	5.43%	11.71%	9.37%	6.72%	10.38%	28.97%

VILLAGE OF GILBERTS, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years
April 30, 2017 (Unaudited)**

Fiscal Year	Tax Levy Year	Residential Property	Farm	Commercial Property
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
2017	2016	168,993,085	1,335,562	1,739,941

Data Source: Office of the County Clerk

Industrial Property	Railroad Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
\$ 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
11,881,791	321,645	-	184,272,024	0.5806

VILLAGE OF GILBERTS, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2017 (Unaudited)**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Village Direct Rates				
General	0.3437	0.3389	0.3242	0.3597
Police Pension	0.0540	0.0625	0.0642	0.0579
Total Direct Rates	<u>0.3978</u>	<u>0.4014</u>	<u>0.3884</u>	<u>0.4177</u>
Overlapping Rates				
Dundee Township Library	0.1279	0.1273	0.1306	0.1456
School District #300	3.8673	3.8603	3.9687	4.4615
Kane County	0.3322	0.3336	0.3398	0.3730
Rutland Township Fire	0.4527	0.4510	0.4456	0.4814
Community College #509	0.3280	0.3275	0.3833	0.4407
Other	<u>0.7809</u>	<u>0.7668</u>	<u>0.7937</u>	<u>0.8914</u>
Total Direct and Overlapping Rates	<u>6.2868</u>	<u>6.2679</u>	<u>6.4501</u>	<u>7.2113</u>

Data Source: Office of the County Clerk

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

2011	2012	2013	2014	2015	2016
0.3838	0.4676	0.5344	0.5511	0.5449	0.4321
0.0697	0.0535	0.0679	0.0708	0.0705	0.1485
0.4535	0.5212	0.6023	0.6219	0.6154	0.5806
0.1582	0.1811	0.2061	0.2171	0.2095	0.1941
4.7987	5.6752	6.3182	6.7211	6.5437	6.1397
0.3990	0.4336	0.4623	0.4684	0.4473	0.4201
0.5451	0.6267	0.7148	0.7459	0.7258	0.6824
0.4454	0.5215	0.5707	0.6076	0.5609	0.5296
0.9854	1.0957	1.2569	1.4155	1.2543	1.1128
7.7853	9.0550	10.1313	10.7974	10.3569	9.6592

VILLAGE OF GILBERTS, ILLINOIS

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2017 (Unaudited)**

Taxpayer	2017			2008		
	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%	600,157	2	0.29%
389 Sola Dr.	768,225	4	0.45%			
Gray Wing LLC	500,865	5	0.29%			
Waitcus Trust	453,767	6	0.27%	525,384	3	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%	457,864	4	0.22%
Gilberts Development LLC	344,761	10	0.20%			
White Angels LLC				608,250	1	0.30%
Ryland				417,058	5	0.20%
RESI LLC				406,224	6	0.20%
Watch City Eerie				405,396	7	0.20%
Barrington Land Developers				359,816	8	0.18%
Hill-Newby LLC				355,734	9	0.17%
96 Center LLC				355,733	10	0.17%
	<u>8,769,717</u>		<u>5.16%</u>	<u>4,491,616</u>		<u>2.19%</u>
Equalized Assessed Value	<u>184,272,024</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, 2017 (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
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%
2017	2016	1,045,274	1,045,274	100.00%	-	1,045,274	100.00%

Data Source: Office of the County Clerk

VILLAGE OF GILBERTS, ILLINOIS

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2017 (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	Activities IEPA Loan				
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
2017	1,196,153	6,970,100	588,467	476,188	9,230,908	3.53%	5.01%	1,195.09

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, 2017 (Unaudited)**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
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
2017	1,196,153	-	1,196,153	0.65%	154.86

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, 2017 (Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Village (1)	Village's Share of Debt
Village	\$ 8,754,720	100.000%	\$ 8,754,720
Overlapping Debt			
Kane County	708,965,265	1.48%	10,492,686
Kane County Forest Preserve	157,101,834	1.48%	2,325,107
Dundee Township	5,170,000	0.58%	29,986
Dundee Township Park District	19,014,755	1.35%	256,699
Community College District No. 509	178,504,770	1.61%	2,873,927
School District No. 300	334,201,064	6.10%	20,386,265
School District No. 158	166,689,654	0.05%	83,345
Gilberts Special Service Area #9	15,740,000	100.00%	15,740,000
Gilberts Special Service Area #15	10,705,000	100.00%	10,705,000
Gilberts Special Service Area #24	8,768,000	100.00%	8,768,000
Total Overlapping Debt	1,604,860,342		71,661,015
Total Direct and Overlapping Debt	1,613,615,062		80,415,735

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, 2017 (Unaudited)**

See Following Page

VILLAGE OF GILBERTS, ILLINOIS

**Schedule of Legal Debt Margin - Last Ten Fiscal Years
April 30, 2017 (Unaudited)**

	2008	2009	2010
Legal Debt Limit	\$ 16,401,183	17,649,486	18,783,965
Total Net Debt Applicable to Limit	-	-	868,575
Legal Debt Margin	16,401,183	17,649,486	17,915,390
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	4.62%

Data Source: Village Records

2011	2012	2013	2014	2015	2016	2017
18,385,621	17,478,279	15,928,929	14,320,068	14,253,406	14,649,093	15,893,462
1,158,658	755,890	776,578	707,383	669,015	629,423	588,467
17,226,963	16,722,389	15,152,351	13,612,685	13,584,391	14,019,670	15,304,995
6.30%	4.32%	4.88%	4.94%	4.69%	4.30%	3.70%

Legal Debt Margin Calculation for Fiscal Year 2017

Assessed Value - 2016 Levy	<u>\$ 184,272,024</u>
Bonded Debt Limit - 8.625% of Assessed Value	15,893,462
Amount of Debt Applicable to Limit	<u>588,467</u>
Legal Debt Margin	<u>15,304,995</u>

VILLAGE OF GILBERTS, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years April 30, 2017 (Unaudited)

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
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%
2017	7,724	261,187,060	33,815	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, 2017 (Unaudited)**

Employer	2017			2008		
	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
Suburban Plastics Co.	37	8	0.92%	N/A	N/A	N/A
R. Cleveland Corp.	35	9	0.87%	N/A	N/A	N/A
Forming Concepts, Inc.	30	10	0.75%	N/A	N/A	N/A
	<u>947</u>		<u>23.66%</u>	<u>N/A</u>		<u>N/A</u>

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

N/A - Not Available

VILLAGE OF GILBERTS, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
April 30, 2017 (Unaudited)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Administration - Full-Time	4	4	3	3	3	3	3	3	3	3
Administration - Part-Time	1	1	2	2	2	2	2	1	1	1
Finance	2	2	1	1	1	1	2	2	2	2
Building and Zoning	3	3	2	2	2	2	2	2	2	2
Public Safety										
Police										
Officers - Full-Time	9	8	8	8	8	8	8	8	8	8
Officers - Part-Time	9	15	14	9	9	12	11	11	10	10
Civilians - Full-Time	1	1	1	1	-	-	-	-	-	-
Civilians - Part-Time	1	1	-	-	-	-	1	1	1	1
Public Works										
Other - Full-Time	4	4	3	3	2	2	2	2	2	2
Other - Part-Time	2	1	1	1	2	1	1	1	1	1
Utility										
Other - Full-Time	-	-	-	3	3	4	4	4	4	4
Other - Part-Time	-	-	-	-	-	-	-	-	-	1
Totals	36	40	35	33	32	35	36	35	34	35

Data Source: Village Records

VILLAGE OF GILBERTS, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2017 (Unaudited)**

See Following Page

VILLAGE OF GILBERTS, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2017 (Unaudited)**

	2008	2009	2010
General Government			
Business Licenses	108	113	110
Liquor Licenses	8	8	8
Public Safety			
Police			
Part I Crimes	4	3	-
Part II Crimes	47	49	40
Physical Arrests	12	13	11
Parking Violations	51	75	39
Traffic Violations	2,555	1,937	1,576
Public Works			
Parkway Trees Trimmed	50	50	55
Street Resurfacing (Miles)	-	1	-
Potholes Repaired	60	60	60
Utility			
Number of Metered Accounts	1,582	1,646	1,662
Number of Hydrants Flushed/Inspected	318	318	318
New Connections	102	64	16
Water Average Daily Consumption	439,000	490,000	537,000
Average Daily Sewage Treatment	323,000	368,000	333,000

Data Source: Various Village Departments

2011	2012	2013	2014	2015	2016	2017
103	72	82	104	132	60	86
8	8	8	9	8	7	7
3	46	41	48	24	21	31
47	145	113	108	82	89	105
11	125	134	96	67	60	57
48	66	87	105	37	57	37
1,046	1,217	1,256	1,133	1,526	1,339	1,330
60	300	452	315	200	150	175
-	6	-	-	-	1	-
60	50	50	78	90	110	120
1,697	1,732	1,650	1,749	1,777	1,780	1,865
318	318	318	318	384	384	384
35	33	26	40	17	8	108
455,000	493,000	525,000	467,000	447,417	501,000	500,000
414,000	416,000	409,000	406,000	408,417	481,000	431,000

VILLAGE OF GILBERTS, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2017 (Unaudited)**

	2008	2009	2010
Public Safety			
Police			
Stations	1	1	1
Patrol Units	10	10	9
Public Works			
Streets (Miles)	26	26	29
Streetlights	116	116	149
Traffic Signals	5	5	5
Utility			
Water Mains (Miles)	32	32	37
Fire Hydrants	316	316	316
Sanitary Sewers (Miles)	28	28	31
Storm Sewers (Miles)	27	27	30

Data Source: Various Village Departments

2011	2012	2013	2014	2015	2016	2017
1	1	1	1	1	1	1
11	11	11	11	10	10	10
29	31	31	31	31	32	32
149	155	155	155	195	205	205
5	5	5	5	5	5	5
37	37	37	37	37	37	37
316	316	316	316	384	384	384
31	31	31	31	37	37	37
30	30	30	30	37	37	37