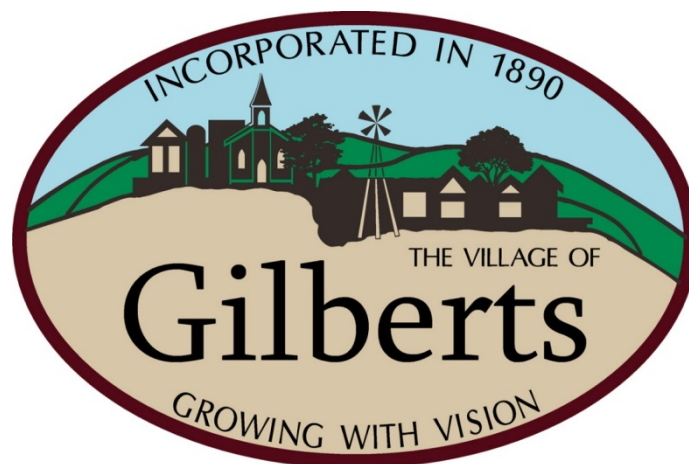


# VILLAGE OF GILBERTS, ILLINOIS

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## COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
APRIL 30, 2019

**VILLAGE OF GILBERTS, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED**  
**APRIL 30, 2019**

Prepared by:  
Finance Department

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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, 2019**

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**BOARD OF TRUSTEES**

Rick Zirk, President

Daniel Corbett, Jr., Trustee

Nancy Farrell, Trustee

Louis Hacker, Trustee

Elissa Kojzarek, Trustee

Jeanne Allen, Trustee

Guy Zambetti, Trustee

**ADMINISTRATION**

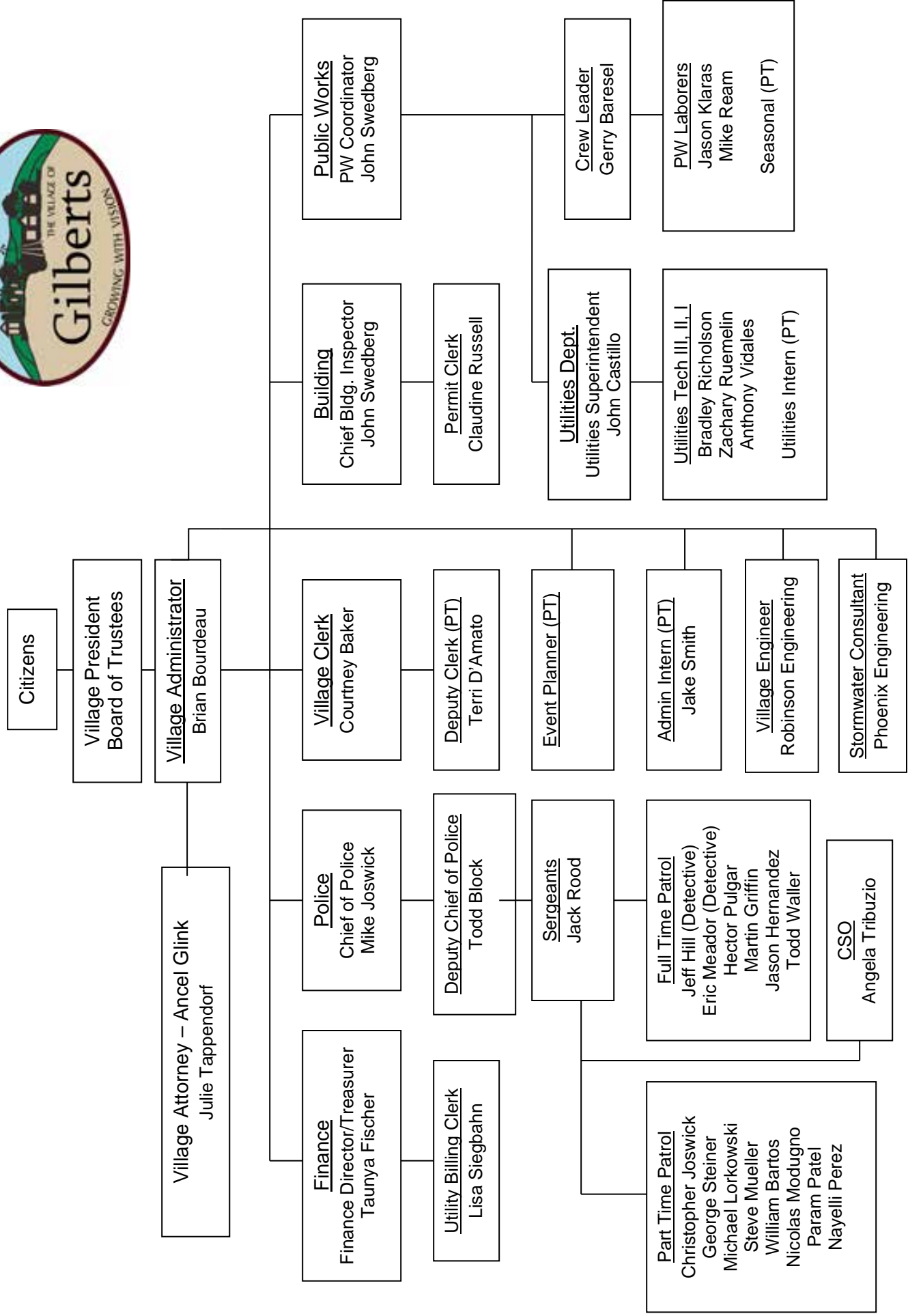
Courtney Baker, Village Clerk

Brian Bourdeau, Village Administrator

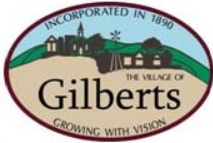
**FINANCE**

Taunya Fischer, Finance Director

# Gilberts Organizational Chart







## *Village of Gilberts*

Village Hall: 87 Galligan Road, Gilberts, Illinois 60136  
Ph. 847-428-2861 Fax: 847-428-2955  
[www.villageofgilberts.com](http://www.villageofgilberts.com)

September 9, 2019

**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, 2019.

The 2019 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.

**Finance & Building Departments  
Public Work Facility – Utility Billing  
73 Industrial Drive, Gilberts, IL 60136  
Ph. 847-428-4167 Fax 847-551-3382**

**Police Department  
86 Railroad Street, Gilberts, IL 60136  
Ph. 847-428-2954 Fax 847-428-4232**

### ***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 30<sup>th</sup>, 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, 2019, 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 four 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

In the Conservancy project, phase one development continues with 25 new single-family home permits being issued.

#### 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.

#### Prairie Business Park

Development continues in the Prairie Business Park.

### ***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, 2018. This was the eighth 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.

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.

A handwritten signature in black ink, appearing to read "Taunya Fischer". The signature is written in a cursive, flowing style.

Taunya Fischer  
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, 2018**

*Christopher P. Morrill*

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**

September 9, 2019

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, 2019, 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 the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Gilberts, Illinois, as of April 30, 2019, 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 a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village 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 basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and 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*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# VILLAGE OF GILBERTS, ILLINOIS

## Management's Discussion and Analysis April 30, 2019

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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, 2019. Please read it in conjunction with the Village of Gilberts' transmittal letter beginning on page 3 and the financial statements, which begin on page 22.

### FINANCIAL HIGHLIGHTS

- During the year, the governmental funds reported expenditures in excess of revenues by \$818,915 due primarily from lower than anticipated collections in miscellaneous revenue. The General Fund reported an ending fund balance of \$4,036,620, a decrease of 23.2% or \$1,217,766.
- Revenues for the year for business-type activities totaled \$1,696,949. Operating expenses (including depreciation) totaled \$1,714,951, resulting in a deficit of \$18,002.

### 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 22 - 25) 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 26. 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 22 - 25 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, 2019

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### 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, 2019

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### **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 three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village of Gilberts adopts an annual appropriated budget for the General Fund. The Village also prepares a working budget to monitor day-to-day operations. The basic governmental fund financial statements can be found on pages 26 - 29 of this report. Combining and individual fund financial statements and schedules can be found on pages 80 - 94 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 30 - 33 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 34 - 35 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 36 - 71 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 72 - 79. 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 80 - 94 of this report.

# VILLAGE OF GILBERTS, ILLINOIS

## Management's Discussion and Analysis April 30, 2019

### 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 \$61.7 million.

	Net Position					
	Governmental Activities		Business-Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Current & Other Assets	\$ 8,415,466	8,900,257	5,314,455	4,833,722	13,729,921	13,733,979
Capital Assets	45,995,651	47,090,216	15,986,374	16,467,828	61,982,025	63,558,044
Total Assets	54,411,117	55,990,473	21,300,829	21,301,550	75,711,946	77,292,023
Def. Outflows	1,275,009	1,083,917	105,578	53,252	1,380,587	1,137,169
Total Assets/ Def. Outflows	55,686,126	57,074,390	21,406,407	21,354,802	77,092,533	78,429,192
Long-Term Debt	10,554,259	10,488,387	642,810	569,920	11,197,069	11,058,307
Other Liabilities	1,236,440	1,099,406	685,210	641,274	1,921,650	1,740,680
Total Liabilities	11,790,699	11,587,793	1,328,020	1,211,194	13,118,719	12,798,987
Def. Inflows	2,251,117	2,151,187	25,074	72,293	2,276,191	2,223,480
Total Liabilities/ Def. Inflows	14,041,816	13,738,980	1,353,094	1,283,487	15,394,910	15,022,467
Net Position						
Net Investment						
in Capital Assets	38,228,679	38,821,056	15,558,480	16,015,555	53,787,159	54,836,611
Restricted	4,405,457	4,833,443	-	-	4,405,457	4,833,443
Unrestricted	(989,826)	(319,089)	4,494,833	4,055,760	3,505,007	3,736,671
Total Net Position	41,644,310	43,335,410	20,053,313	20,071,315	61,697,623	63,406,725

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 87.2% 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, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS – continued**

An additional portion, or 7.1%, of the Village of Gilberts’ net position represents resources that are subject to external restrictions on how they may be used. The remaining 5.7%, or \$3,505,007, 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		Totals	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues						
Charges for Services	\$ 1,302,093	1,328,768	1,597,665	1,794,185	2,899,758	3,122,953
Operating Grants/Contributions	216,569	201,472	-	-	216,569	201,472
General Revenues						
Taxes						
Property Taxes	1,895,839	1,781,156	-	-	1,895,839	1,781,156
Utility Taxes	423,078	410,825	-	-	423,078	410,825
Intergovernmental						
Income Taxes	667,875	623,801	-	-	667,875	623,801
Replacement Taxes	301	292	-	-	301	292
Sales and Use Taxes	712,414	726,301	-	-	712,414	726,301
Other General Revenues	274,055	274,513	99,284	65,979	373,339	340,492
Total Revenues	5,492,224	5,347,128	1,696,949	1,860,164	7,189,173	7,207,292
Expenses						
General Government	1,919,539	2,032,082	-	-	1,919,539	2,032,082
Public Safety	1,834,380	1,661,470	-	-	1,834,380	1,661,470
Public Works	3,013,817	1,024,810	-	-	3,013,817	1,024,810
Parks and Recreation	31,126	49,264	-	-	31,126	49,264
Interest on Long-Term Debt	384,462	400,460	-	-	384,462	400,460
Utility	-	-	1,714,951	1,762,783	1,714,951	1,762,783
Total Expenses	7,183,324	5,168,086	1,714,951	1,762,783	8,898,275	6,930,869
Change in Net Position	(1,691,100)	179,042	(18,002)	97,381	(1,709,102)	276,423
Net Position - Beginning	43,335,410	43,156,368	20,071,315	19,973,934	63,406,725	63,130,302
Net Position- Ending	41,644,310	43,335,410	20,053,313	20,071,315	61,697,623	63,406,725

## VILLAGE OF GILBERTS, ILLINOIS

### Management's Discussion and Analysis April 30, 2019

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#### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Net position of the Village of Gilberts' governmental activities had a decrease from the prior year due to an increase in public works expenses of \$1,989,007 over the prior year. Revenues for the governmental activities totaled \$5.5 million which is a 2.7% increase due to higher amounts of property being received. Expenses for the governmental activities totaled \$7.2 million which included \$1,120,045 of depreciation expense.

Net position of the business-type activities decreased by less than one percent or \$18,002 from the prior year. Revenues for the business-type activities totaled \$1.7 million along with expenses for the business-type activities of \$1.7 million which includes \$481,454 of depreciation expense.

Revenues for the Village as a whole totaled \$7,189,173 (\$7,207,292 in the prior year), while expenses for the Village as a whole totaled \$8,898,275 (\$6,930,869 in the prior year).

#### Governmental Activities

Revenues for governmental activities this year were \$5,492,224. The cost of all governmental activities this year was \$7,183,324. The largest percentage of governmental expenses was to fund public works activities (42% of the \$7.1 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.



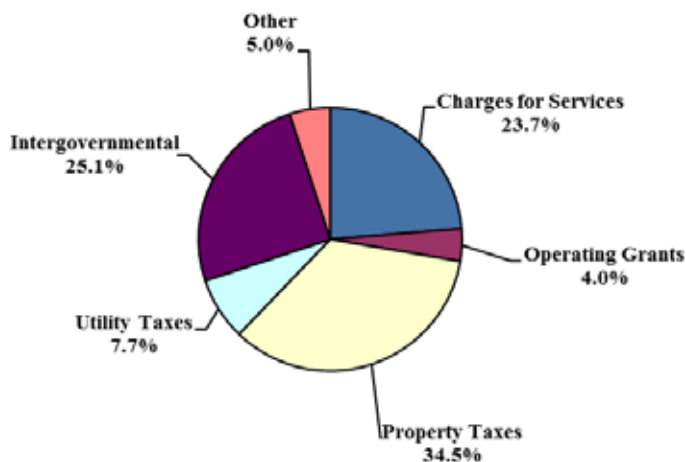
**VILLAGE OF GILBERTS, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2019**

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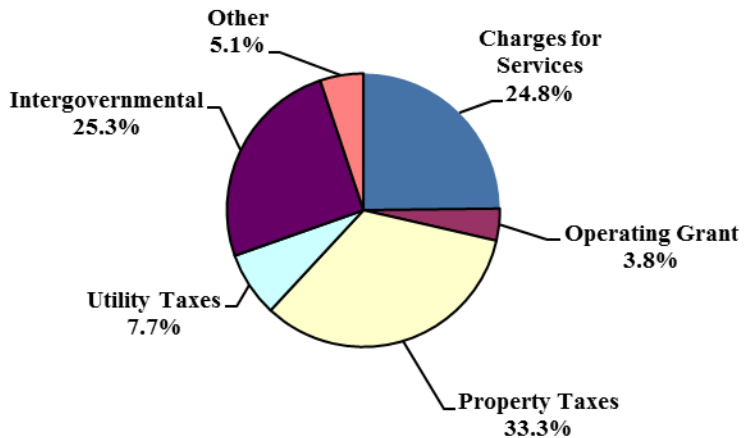
**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

**Revenues by Source - Governmental Activities  
at April 30, 2019**



Property taxes increased \$114,683 from 2018 to 2019. Income taxes, replacement taxes and utility taxes all increased during the year, as well. The increase in operating grants/contributions is due to additional contributed capital.

**Revenues by Source - Governmental Activities  
at April 30, 2018**



**VILLAGE OF GILBERTS, ILLINOIS**

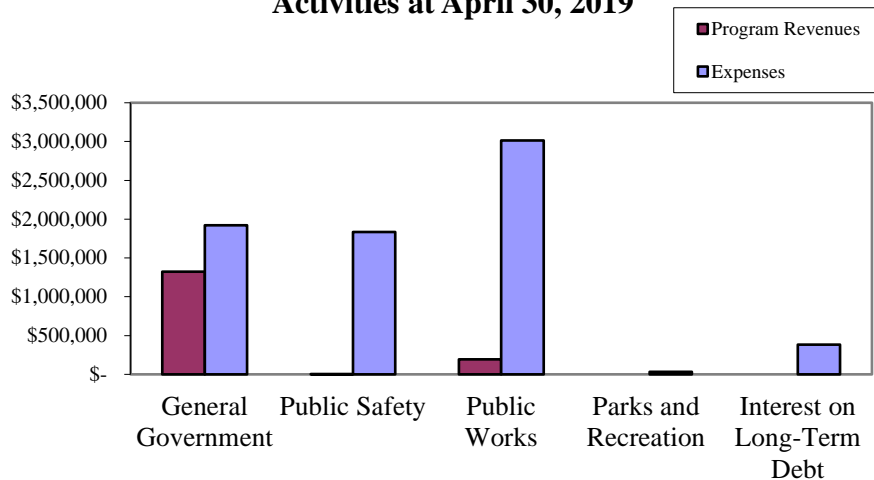
**Management’s Discussion and Analysis  
April 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

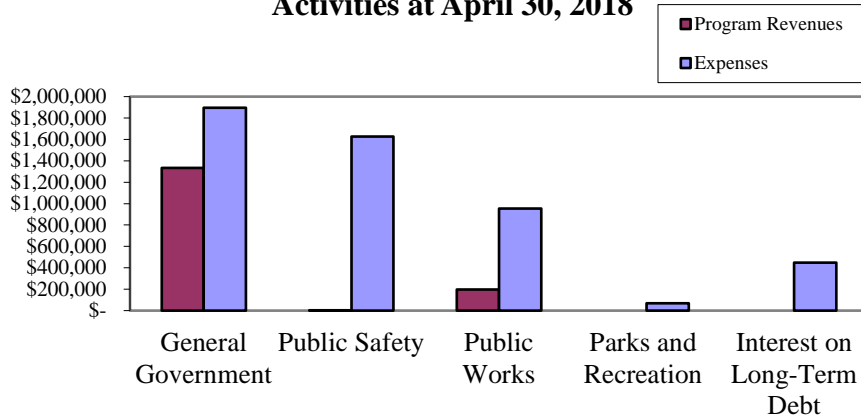
**Governmental Activities – Continued**

The ‘Expenses and Program Revenues’ Table identifies those governmental functions where program expenses greatly exceed revenues. For FY-19, the largest area where expenses exceeded program revenues was in the public safety function and was 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, 2019**



**Expenses and Program Revenues - Governmental  
Activities at April 30, 2018**



**VILLAGE OF GILBERTS, ILLINOIS**

**Management’s Discussion and Analysis  
April 30, 2019**

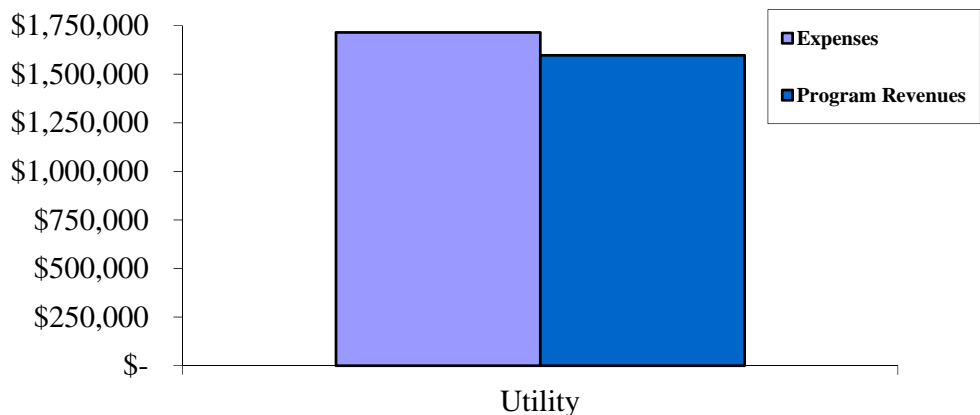
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**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

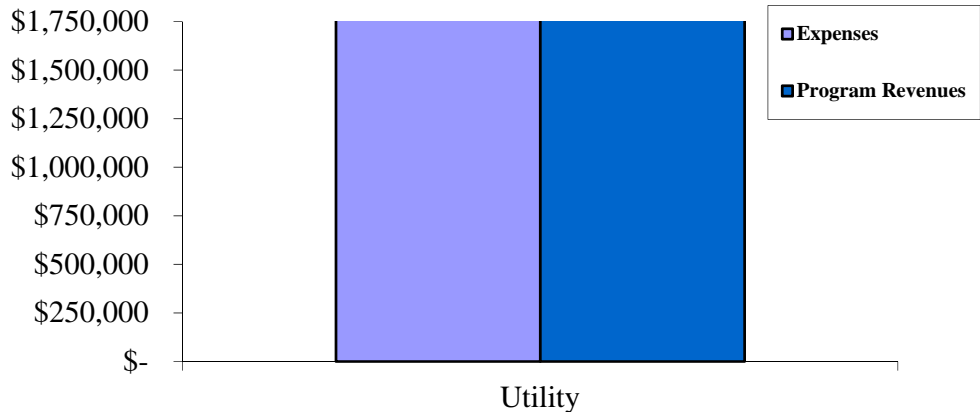
**Business-Type Activities**

Revenues for the business-type activities totaled \$1,696,949 for the year, while expenses totaled \$1,714,951 for the year (including depreciation expense of \$481,454). 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 \$463,452.

**Expenses and Program Revenues - Business-Type Activities at  
April 30, 2019**



**Expenses and Program Revenues - Business-Type Activities at  
April 30, 2018**



## VILLAGE OF GILBERTS, ILLINOIS

### Management's Discussion and Analysis April 30, 2019

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#### 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 \$5.5 million, which is a decrease of \$0.8 million from last year's total of \$6.4 million.

The General Fund reported an ending fund balance of \$4,036,620, a decrease of 23.2% or \$1,217,766. This decrease was due to \$29,185 in capital outlay for the purchase of a new squad car, as well as a road improvement project totaling \$1,917,019, which is included in the public works expenditures. Ending fund balance in the General Fund of \$4,036,620 represents 70.4% or approximately 8 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 \$18,002.

# VILLAGE OF GILBERTS, ILLINOIS

## Management's Discussion and Analysis April 30, 2019

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### 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 \$4,516,103 compared to final budgeted revenues of \$6,211,801. The major portion of the difference was due from lower than anticipated in the miscellaneous and intergovernmental areas of revenue.

The General Fund actual expenditures for the year were less than budgeted by \$287,075 (\$5,733,869 actual compared to \$6,020,944 final budgeted). The general government, public safety, public works, and parks and recreation functions were all lower than budgeted expenditures by \$107,292, \$88,258, \$1,017 and \$28,133, respectively, as management's awareness of budgetary constraints lead to reduced spending. Capital outlay expenditures were budgeted at \$93,100 for the year, with actual expenditures of \$29,185.

### 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, 2019 was \$62.0 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		Totals	
	Activities		Activities			
	2019	2018	2019	2018	2019	2018
Land	\$ 25,584,853	25,584,853	937,200	937,200	26,522,053	26,522,053
Land Improvements	1,284,202	1,374,589	-	-	1,284,202	1,374,589
Buildings	1,258,856	1,302,543	8,287,248	8,570,181	9,546,104	9,872,724
Machinery & Equipment	249,621	330,567	-	-	249,621	330,567
Infrastructure	17,618,119	18,497,664	6,761,926	6,960,447	24,380,045	25,458,111
Totals	45,995,651	47,090,216	15,986,374	16,467,828	61,982,025	63,558,044

Additional information on the Village's capital assets can be found on pages 51 - 52 of this report.

# VILLAGE OF GILBERTS, ILLINOIS

## Management's Discussion and Analysis April 30, 2019

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### CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

#### Debt Administration

At year-end, the Village of Gilberts had total debt of \$8,194,866 as compared to \$8,721,433 the previous year. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Installment Notes Payable	\$ 541,499	565,364	-	-	541,499	565,364
IEPA Loan	-	-	427,894	452,273	427,894	452,273
General Obligation Bonds	726,373	964,496	-	-	726,373	964,496
Tax Increment Revenue Note Payable	6,499,100	6,739,300	-	-	6,499,100	6,739,300
	<u>7,766,972</u>	<u>8,269,160</u>	<u>427,894</u>	<u>452,273</u>	<u>8,194,866</u>	<u>8,721,433</u>

Additional information on the Village's debt can be found on pages 53 - 57 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 2020 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. Budget expenditures for 2020 are expected to decrease approximately 28 percent from \$6.04 million to \$4.32 million as no major infrastructure programs are planned for the General Fund.

#### 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, 2019**

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**See Following Page**



**VILLAGE OF GILBERTS, ILLINOIS****Statement of Net Position  
April 30, 2019**

	Governmental Activities	Business- Type Activities	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	\$ 5,415,622	4,415,512	9,831,134
Receivables - Net of Allowances			
Property Taxes	2,091,328	-	2,091,328
Accounts	795,049	803,804	1,598,853
Tap on Fees	-	2,499	2,499
Internal Balances	(70,306)	70,306	-
Due from Other Governments	40,400	-	40,400
Deposits - Insurance	83,071	-	83,071
Prepays	60,302	22,334	82,636
Total Current Assets	<u>8,415,466</u>	<u>5,314,455</u>	<u>13,729,921</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	25,584,853	937,200	26,522,053
Depreciable	44,421,851	22,165,093	66,586,944
Accumulated Depreciation	(24,011,053)	(7,115,919)	(31,126,972)
Total Noncurrent Assets	<u>45,995,651</u>	<u>15,986,374</u>	<u>61,982,025</u>
Total Assets	<u>54,411,117</u>	<u>21,300,829</u>	<u>75,711,946</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	206,940	105,578	312,518
Deferred Items - Police Pension	1,068,069	-	1,068,069
Total Deferred Outflows of Resources	<u>1,275,009</u>	<u>105,578</u>	<u>1,380,587</u>
Total Assets and Deferred Outflows of Resources	<u>55,686,126</u>	<u>21,406,407</u>	<u>77,092,533</u>

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

	Governmental Activities	Business- Type Activities	Totals
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 160,517	51,760	212,277
Accrued Payroll	60,034	14,307	74,341
Accrued Interest Payable	174,655	-	174,655
Other Payables	566,314	553,636	1,119,950
Due to Other Governments	-	40,436	40,436
Current Portion of Long-Term Liabilities	274,920	25,071	299,991
Total Current Liabilities	1,236,440	685,210	1,921,650
Noncurrent Liabilities			
Compensated Absences Payable	22,090	876	22,966
Net Pension Liability - IMRF	468,240	238,892	707,132
Net Pension Liability - Police Pension	2,566,354	-	2,566,354
General Obligation Bonds Payable	481,592	-	481,592
Tax Increment Revenue Note Payable	6,499,100	-	6,499,100
Installment Notes Payable	516,883	-	516,883
IEPA Loan Payable	-	403,042	403,042
Total Noncurrent Liabilities	10,554,259	642,810	11,197,069
Total Liabilities	11,790,699	1,328,020	13,118,719
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	49,146	25,074	74,220
Deferred Items - Police Pension	110,643	-	110,643
Property Taxes	2,091,328	-	2,091,328
Total Deferred Inflows of Resources	2,251,117	25,074	2,276,191
Total Liabilities and Deferred Inflows of Resources	14,041,816	1,353,094	15,394,910
<b>NET POSITION</b>			
Net Investment in Capital Assets	38,228,679	15,558,480	53,787,159
Restricted - Public Safety	49,898	-	49,898
Restricted - Designated Reserves	1,524,770	-	1,524,770
Restricted - Community Days	282	-	282
Restricted - Highways and Streets	1,314,149	-	1,314,149
Restricted - Capital Projects	1,516,358	-	1,516,358
Unrestricted	(989,826)	4,494,833	3,505,007
Total Net Position	41,644,310	20,053,313	61,697,623

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, 2019**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 1,919,539	1,301,738	21,485	-
Public Safety	1,834,380	355	-	-
Public Works	3,013,817	-	195,084	-
Parks and Recreation	31,126	-	-	-
Interest on Long-Term Debt	384,462	-	-	-
Total Governmental Activities	7,183,324	1,302,093	216,569	-
Business-Type Activities				
Utility	1,714,951	1,597,665	-	-
Total Primary Government	8,898,275	2,899,758	216,569	-

General Revenues  
Taxes  
    Property  
    Utility  
Intergovernmental - Unrestricted  
    Income Taxes  
    Sales and Use Taxes  
    Replacement  
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
(596,316)	-	(596,316)
(1,834,025)	-	(1,834,025)
(2,818,733)	-	(2,818,733)
(31,126)	-	(31,126)
(384,462)	-	(384,462)
(5,664,662)	-	(5,664,662)
-	(117,286)	(117,286)
(5,664,662)	(117,286)	(5,781,948)
1,895,839	-	1,895,839
423,078	-	423,078
667,875	-	667,875
712,414	-	712,414
301	-	301
119,583	99,284	218,867
154,472	-	154,472
3,973,562	99,284	4,072,846
(1,691,100)	(18,002)	(1,709,102)
43,335,410	20,071,315	63,406,725
41,644,310	20,053,313	61,697,623

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

**VILLAGE OF GILBERTS, ILLINOIS**

**Balance Sheet - Governmental Funds  
April 30, 2019**

	General	Capital Projects TIF #2	Nonmajor	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 4,197,201	144,485	1,073,936	5,415,622
Receivables - Net of Allowances				
Property Taxes	1,188,394	755,063	147,871	2,091,328
Accounts	779,301	-	15,748	795,049
Due from Other Funds	-	79,368	190,569	269,937
Due from Other Governments	40,400	-	-	40,400
Deposits - Insurance	83,071	-	-	83,071
Prepays	49,928	-	10,374	60,302
<b>Total Assets</b>	<b>6,338,295</b>	<b>978,916</b>	<b>1,438,498</b>	<b>8,755,709</b>
<b>LIABILITIES</b>				
Accounts Payable	159,368	-	1,149	160,517
Accrued Payroll	60,034	-	-	60,034
Other Payables	553,636	-	12,678	566,314
Due to Other Funds	340,243	-	-	340,243
<b>Total Liabilities</b>	<b>1,113,281</b>	<b>-</b>	<b>13,827</b>	<b>1,127,108</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	1,188,394	755,063	147,871	2,091,328
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>2,301,675</b>	<b>755,063</b>	<b>161,698</b>	<b>3,218,436</b>
<b>FUND BALANCES</b>				
Nonspendable	49,928	-	10,374	60,302
Restricted	2,915,178	223,853	1,266,426	4,405,457
Unassigned	1,071,514	-	-	1,071,514
<b>Total Fund Balances</b>	<b>4,036,620</b>	<b>223,853</b>	<b>1,276,800</b>	<b>5,537,273</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>6,338,295</b>	<b>978,916</b>	<b>1,438,498</b>	<b>8,755,709</b>

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, 2019**

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**Total Governmental Fund Balances** \$ 5,537,273

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. 45,995,651

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

    Deferred Items - IMRF 157,794  
    Deferred Items - Police Pension 957,426

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

    Compensated Absences Payable (27,613)  
    Net Pension Liability - IMRF (468,240)  
    Net Pension Liability - Police Pension (2,566,354)  
    General Obligation Bonds Payable (726,373)  
    Tax Increment Revenue Note Payable (6,499,100)  
    Installment Notes Payable (541,499)  
    Accrued Interest Payable (174,655)

**Net Position of Governmental Activities** 41,644,310

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

VILLAGE OF GILBERTS, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended April 30, 2019

	General	Capital Projects TIF #2	Nonmajor	Totals
<b>Revenues</b>				
Taxes	\$ 1,569,025	662,143	87,749	2,318,917
Licenses, Permits and Fees	134,652	-	-	134,652
Intergovernmental	1,402,075	-	195,084	1,597,159
Charges for Services	1,139,042	-	-	1,139,042
Fines and Forfeits	28,399	-	-	28,399
Interest	99,094	923	19,566	119,583
Miscellaneous	143,816	-	10,656	154,472
<b>Total Revenues</b>	<b>4,516,103</b>	<b>663,066</b>	<b>313,055</b>	<b>5,492,224</b>
<b>Expenditures</b>				
<b>Current</b>				
General Government	873,523	-	550	874,073
Public Safety	1,534,364	-	-	1,534,364
Public Works	2,946,614	-	-	2,946,614
Parks and Recreation	31,126	-	-	31,126
Capital Outlay	29,185	-	-	29,185
<b>Debt Service</b>				
Principal Retirement	261,988	240,200	-	502,188
Interest and Fiscal Charges	57,069	336,520	-	393,589
<b>Total Expenditures</b>	<b>5,733,869</b>	<b>576,720</b>	<b>550</b>	<b>6,311,139</b>
Net Change in Fund Balances	(1,217,766)	86,346	312,505	(818,915)
Fund Balances - Beginning	5,254,386	137,507	964,295	6,356,188
Fund Balances - Ending	4,036,620	223,853	1,276,800	5,537,273

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, 2019

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**Net Change in Fund Balances - Total Governmental Funds** \$ (818,915)

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	25,480
Depreciation Expense	(1,120,045)

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

Change in Deferred Items - IMRF	192,225
Change in Deferred Items - Police Pension	97,025

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	(13,578)
Additions to Net Pension Liability - IMRF	(212,368)
Additions to Net Pension Liability - Police Pension	(352,239)
Retirement of Debt	502,188

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.

9,127

**Changes in Net Position of Governmental Activities** (1,691,100)

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, 2019**

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	<u>Business-Type Activities Utility</u>
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 4,415,512
Receivables - Net of Allowances	
Accounts - Customer	803,804
Tap on Fees - Old Town	2,499
Due from Other Funds	70,306
Prepays	22,334
Total Current Assets	<u>5,314,455</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	937,200
Depreciable	22,165,093
Accumulated Depreciation	<u>(7,115,919)</u>
Total Noncurrent Assets	<u>15,986,374</u>
Total Assets	<u>21,300,829</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	<u>105,578</u>
Total Assets and Deferred Outflows of Resources	<u>21,406,407</u>

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

	Business-Type Activities <u>Utility</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 51,760
Accrued Payroll	14,307
Other Payables	553,636
Due to Other Governments	40,436
Compensated Absences	219
IEPA Loan Payable	24,852
Total Current Liabilities	<u>685,210</u>
Noncurrent Liabilities	
Compensated Absences	876
Net Pension Liability - IMRF	238,892
IEPA Loan Payable	403,042
Total Noncurrent Liabilities	<u>642,810</u>
Total Liabilities	<u>1,328,020</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	<u>25,074</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,353,094</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	15,558,480
Unrestricted	<u>4,494,833</u>
Total Net Position	<u><u>20,053,313</u></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, 2019

	<u>Business-Type Activities Utility</u>
Operating Revenues	
Charges for Services	\$ 1,567,880
Sales of Water Meters	11,737
Other Operating Revenues	500
Total Operating Revenues	<u>1,580,117</u>
Operating Expenses	
Operations	
Water	623,380
Wastewater	601,505
Depreciation	481,454
Total Operating Expenses	<u>1,706,339</u>
Operating Income (Loss)	<u>(126,222)</u>
Nonoperating Revenues (Expenses)	
Interest Income	99,284
Tap-On Fees	17,548
Interest Expense	(8,612)
	<u>108,220</u>
Change in Net Position	(18,002)
Net Position - Beginning	<u>20,071,315</u>
Net Position - Ending	<u><u>20,053,313</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, 2019**

	Business-Type Activities
	<u>Utility</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 1,491,318
Payments to Suppliers	(814,967)
Payments to Employees	(315,932)
	<u>360,419</u>
Cash Flows from Capital and Related Financing Activities	
Interest on Installment Loan	(8,612)
Principal Paid on Installment Loan	(24,379)
	<u>(32,991)</u>
Cash Flows from Investing Activities	
Interest Received	99,284
	<u>99,284</u>
Net Change in Cash and Cash Equivalents	426,712
Cash and Cash Equivalents - Beginning	<u>3,988,800</u>
Cash and Cash Equivalents - Ending	<u><u>4,415,512</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(126,222)
Adjustments to Reconcile Operating Income Income to Net Cash Provided by (Used in) Operating Activities:	
Other Income (Expense)	17,548
Depreciation Expense	481,454
(Increase) Decrease in Current Assets	(106,347)
Increase (Decrease) in Current Liabilities	93,986
	<u>93,986</u>
Net Cash Provided by Operating Activities	<u><u>360,419</u></u>

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

**VILLAGE OF GILBERTS, ILLINOIS**

**Statement of Fiduciary Net Position**

**April 30, 2019**

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	Police Pension Trust	Agency
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 321,142	13,370,377
Investments		
U.S. Treasury Securities	687,405	-
Corporate Bonds	727,212	-
Mutual Funds	1,247,622	-
Receivables - Net of Allowances		
Accrued Interest	10,631	-
Due from Other Governments	<u>-</u>	<u>40,436</u>
Total Assets	<u>2,994,012</u>	<u>13,410,813</u>
<b>LIABILITIES</b>		
Deposits Payable	-	230,193
Due to Other Governments	-	41,338
Due to Bondholders	<u>-</u>	<u>13,139,282</u>
Total Liabilities	<u>-</u>	<u>13,410,813</u>
<b>NET POSITION</b>		
Net Position Restricted for Pensions	<u>2,994,012</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, 2019**

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	<u>Police Pension Trust</u>
Additions	
Contributions - Employer	\$ 313,356
Contributions - Plan Members	<u>58,730</u>
Total Contributions	<u>372,086</u>
Investment Income	
Interest Earned	95,473
Net Change in Fair Value	<u>14,824</u>
	110,297
Less Investment Expenses	<u>(12,312)</u>
Net Investment Income	<u>97,985</u>
Total Additions	470,071
Deductions	
Administration	<u>9,238</u>
Change in Fiduciary Net Position	460,833
Net Position Restricted for Pensions	
Beginning	<u>2,533,179</u>
Ending	<u><u>2,994,012</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, 2019

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### 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, 2019

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### 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, 2019

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### 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 two nonmajor special revenue funds, the Motor Fuel Tax Fund and the Community Days Fund.

# VILLAGE OF GILBERTS, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

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### 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, 2019

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### 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 Special Services Area #25 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 is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

#### Measurement Focus

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

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

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

# VILLAGE OF GILBERTS, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

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### 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, 2019

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### 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, 2019**

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**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, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition 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 acquisition 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, 2019

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### 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/reduction 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.

# VILLAGE OF GILBERTS, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

##### Net Position

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

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

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

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

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 Board holds public hearings and may add to, subtract from, or change budgeted amounts, but may not change the form of the budget.

Management 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 Board. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, supplementary appropriations were necessary.



# VILLAGE OF GILBERTS, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

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### 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, 2019

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#### 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. The Illinois Funds is not registered with the SEC as an investment company. 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 \$4,073,665 and the bank balances totaled \$4,119,840. In addition, the Village has \$5,757,469 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, 2019**

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**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 the total cash and investments 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).

**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 \$321,142 and the bank balances totaled \$709,206.

*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. Treasury Securities	\$ 687,405	-	514,249	173,156	-
Corporate Bonds	727,212	34,870	606,921	85,421	-
	1,414,617	34,870	1,121,170	258,577	-

**VILLAGE OF GILBERTS, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2019**

**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**

*Investments – Continued.* The Fund has the following recurring fair value measurements as of April 30, 2019:

	Total	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)
Investments by Fair Value Level				
Debt Securities				
U.S. Treasuries	\$ 687,405	687,405	-	-
Corporate Bonds	727,212	-	727,212	-
Equity Securities				
Mutual Funds	1,247,622	1,247,622	-	-
Total Investments by Fair Value Level	2,662,239	1,935,027	727,212	-

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

*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 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.

# VILLAGE OF GILBERTS, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

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### 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.* 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 has no 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 \$1,247,622 invested in mutual funds.

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	50%-60%	4.8%
Equities	35%-45%	7.8%
Cash and Cash Equivalents	5%	0.0%

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

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in May 2019 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, 2019 are listed in the table above.

#### Rate of Return

For the year ended April 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.66%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**VILLAGE OF GILBERTS, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

**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
Depreciable Capital Assets				
Land Improvements	2,092,048	-	-	2,092,048
Buildings and Structures	2,184,371	-	-	2,184,371
Machinery and Equipment	1,548,280	25,480	-	1,573,760
Infrastructure	38,571,672	-	-	38,571,672
	<u>44,396,371</u>	<u>25,480</u>	<u>-</u>	<u>44,421,851</u>
Less Accumulated Depreciation				
Land Improvements	717,459	90,387	-	807,846
Buildings and Structures	881,828	43,687	-	925,515
Machinery and Equipment	1,217,713	106,426	-	1,324,139
Infrastructure	20,074,008	879,545	-	20,953,553
	<u>22,891,008</u>	<u>1,120,045</u>	<u>-</u>	<u>24,011,053</u>
Total Net Depreciable Capital Assets	<u>21,505,363</u>	<u>(1,094,565)</u>	<u>-</u>	<u>20,410,798</u>
Total Net Capital Assets	<u>47,090,216</u>	<u>(1,094,565)</u>	<u>-</u>	<u>45,995,651</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 1,008,040
Public Safety	44,802
Public Works	<u>67,203</u>
	<u>1,120,045</u>

# VILLAGE OF GILBERTS, ILLINOIS

## Notes to the Financial Statements April 30, 2019

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### 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	12,239,058	-	-	12,239,058
Infrastructure	9,926,035	-	-	9,926,035
	<u>22,165,093</u>	-	-	<u>22,165,093</u>
Less Accumulated Depreciation				
Buildings and Structures	3,668,877	282,933	-	3,951,810
Infrastructure	2,965,588	198,521	-	3,164,109
	<u>6,634,465</u>	<u>481,454</u>	-	<u>7,115,919</u>
Total Net Depreciable Capital Assets	<u>15,530,628</u>	<u>(481,454)</u>	-	<u>15,049,174</u>
Total Net Capital Assets	<u>16,467,828</u>	<u>(481,454)</u>	-	<u>15,986,374</u>

Depreciation expense was charged to business-type as follows:

Utility	<u>\$ 481,454</u>
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#### PROPERTY TAXES

Property taxes for 2018 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, 2019**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**INTERFUND BALANCES**

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
TIF #1	General	\$ 190,569
TIF #2	General	79,368
Utility	General	<u>70,306</u>
		<u><u>340,243</u></u>

**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	\$ 119,496	-	38,123	81,373
\$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	845,000	-	200,000	645,000
		<u>964,496</u>	<u>-</u>	<u>238,123</u>	<u>726,373</u>



**VILLAGE OF GILBERTS, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

**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
\$593,824 Installment Note Payable of 2017 - Due in annual installments of \$42,126 including interest at 3.25% through January 9, 2022.	General	\$ 565,364	-	23,865	541,499

**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	\$ 6,739,300	-	240,200	6,499,100

**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	\$ 452,273	-	24,379	427,894

**VILLAGE OF GILBERTS, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

**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
<b>Governmental Activities</b>					
Compensated Absences	\$ 14,035	27,156	13,578	27,613	5,523
Net Pension Liability - IMRF	255,872	212,368	-	468,240	-
Net Pension Liability - Police Pension	2,214,115	352,239	-	2,566,354	-
General Obligation Bonds	964,496	-	238,123	726,373	244,781
Tax Increment Revenue Note Payable	6,739,300	-	240,200	6,499,100	-
Installment Notes Payable	565,364	-	23,865	541,499	24,616
	<u>10,753,182</u>	<u>591,763</u>	<u>515,766</u>	<u>10,829,179</u>	<u>274,920</u>
<b>Business-Type Activities</b>					
Compensated Absences	645	900	450	1,095	219
Net Pension Liability - IMRF	141,510	97,382	-	238,892	-
IEPA Loan Payable	452,273	-	24,379	427,894	24,852
	<u>594,428</u>	<u>98,282</u>	<u>24,829</u>	<u>667,881</u>	<u>25,071</u>

For governmental activities, the General Fund makes payments on the compensated absences, the net pension liabilities, 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, 2019**

**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
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	491,396	11,975	25,826	7,165
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	4,012
2029	-	-	-	-	29,542	3,449
2030	-	-	-	-	30,114	2,877
2031	-	-	-	-	30,698	2,293
2032	-	-	-	-	31,294	1,697
2033	-	-	-	-	31,901	1,090
2034	-	-	-	-	32,520	471
Totals	726,373	58,202	541,499	46,124	427,894	66,971

**Noncommitment Debt**

**Special Service Area Bonds**

Special service area bonds outstanding as of the date of this report totaled \$45,470,000. 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, 2019:

Special Service Area #9	\$ 14,005,000
Special Service Area #15	10,065,000
Special Service Area #24	8,279,000
Special Service Area #25	13,121,000
	<u>45,470,000</u>

# VILLAGE OF GILBERTS, ILLINOIS

## Notes to the Financial Statements April 30, 2019

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### 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 - 2018 Levy	<u>\$ 216,087,268</u>
Legal Debt Limit - 8.625% of Assessed Value	18,637,527
Amount of Debt Applicable to Limit	<u>541,499</u>
Legal Debt Margin	<u>18,096,028</u>

#### NET POSITION/ FUND BALANCE

##### Net Position Classifications

Net Investment in capital assets was comprised of the following as of April 30, 2019:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 45,995,651
Less Capital Related Debt:	
Taxable General Obligation ARS Bonds of 2010	(81,373)
General Obligation ARS Bonds of 2011	(645,000)
Tax Increment Revenue Note of 2014	(6,499,100)
Installment Note Payable of 2017	<u>(541,499)</u>
Net Investment in Capital Assets	<u>38,228,679</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	15,986,374
Less Capital Related Debt:	
IEPA Loan Payable of 2014	<u>(427,894)</u>
Net Investment in Capital Assets	<u>15,558,480</u>

**VILLAGE OF GILBERTS, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2019**

**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	-	10,374	60,302
Restricted				
Drug Forfeiture	49,898	-	-	49,898
Designated Reserves	1,524,770	-	-	1,524,770
Community Days	-	-	282	282
Highways and Streets				
Road Improvement	261,843	-	1,052,306	1,314,149
Capital Projects	1,078,667	223,853	213,838	1,516,358
	<u>2,915,178</u>	<u>223,853</u>	<u>1,266,426</u>	<u>4,405,457</u>
Unassigned	1,071,514	-	-	1,071,514
Total Fund Balances	<u>4,036,620</u>	<u>223,853</u>	<u>1,276,800</u>	<u>5,537,273</u>

In the governmental fund 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.

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

# VILLAGE OF GILBERTS, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### NET POSITION/ FUND BALANCE – Continued

##### Fund Balance Classifications – Continued

*Assigned Fund Balance.* Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

*Unassigned Fund Balance.* Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

*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.

### 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.

**VILLAGE OF GILBERTS, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

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**NOTE 4 – OTHER INFORMATION – Continued**

**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 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](http://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.

The aggregate amount of pension expense recognized for the two pension plans is:

IMRF	\$	103,036
Police Pension		568,570
		<u>671,606</u>

**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.

VILLAGE OF GILBERTS, ILLINOIS

Notes to the Financial Statements  
April 30, 2019

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NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

*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.

*Plan Membership.* As of December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	8
Inactive Plan Members Entitled to but not yet Receiving Benefits	15
Active Plan Members	<u>15</u>
Total	<u><u>38</u></u>



# VILLAGE OF GILBERTS, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Illinois Municipal Retirement Fund (IMRF) – Continued

##### Plan Descriptions – Continued

*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. For the year-ended April 30, 2019, the Village's contribution was 10.39% of covered payroll.

*Net Pension Liability.* The Village's net pension liability was measured as of December 31, 2018. 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, 2018, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.39% - 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The 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 table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

# VILLAGE OF GILBERTS, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

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### 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.* The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.75%
Domestic Equities	37.00%	7.15%
International Equities	18.00%	7.25%
Real Estate	9.00%	6.25%
Blended	7.00%	3.20% - 8.50%
Cash and Cash Equivalents	1.00%	2.50%

##### Discount Rate

The discount rate used to measure the total pension liability was 7.25%, and the discount rate in the prior valuation was 7.50%. 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 is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate 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:

**VILLAGE OF GILBERTS, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2019**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Discount Rate Sensitivity – Continued**

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 1,048,680	707,132	427,509

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2017	\$ 2,036,839	1,639,457	397,382
Changes for the Year:			
Service Cost	86,851	-	86,851
Interest on the Total Pension Liability	153,023	-	153,023
Difference Between Expected and Actual Experience of the Total Pension Liability	72,437	-	72,437
Changes of Assumptions	75,092	-	75,092
Contributions - Employer	-	86,380	(86,380)
Contributions - Employees	-	36,987	(36,987)
Net Investment Income	-	(78,057)	78,057
Benefit Payments, including Refunds of Employee Contributions	(79,924)	(79,924)	-
Other (Net Transfer)	-	32,343	(32,343)
Net Changes	307,479	(2,271)	309,750
Balances at December 31, 2018	2,344,318	1,637,186	707,132

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

For the year ended April 30, 2019, the Village recognized pension expense of \$103,036. At April 30, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**VILLAGE OF GILBERTS, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

**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 – Continued**

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 117,412	(28,854)	88,558
Change in Assumptions	57,844	(45,366)	12,478
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	110,839	-	110,839
Total Pension Expense to be Recognized in Future Periods	286,095	(74,220)	211,875
Pension Contributions Made Subsequent to the Measurement Date	26,423	-	26,423
Total Deferred Amounts Related to IMRF	312,518	(74,220)	238,298

\$26,423 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2020. 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
2020	\$ 58,295
2021	45,915
2022	54,910
2023	52,755
2024	-
Thereafter	-
Total	211,875

**VILLAGE OF GILBERTS, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

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**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, 2019, 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>8</u>
Total	<u>9</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, 2019

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#### 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 1<sup>st</sup> 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 or ½ of the change in the Consumer Price Index for the proceeding calendar year.

*Contributions.* Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2019, the Village's contribution was 45.63% of covered payroll.

*Concentrations.* At year-end, the Pension Plan 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).

# VILLAGE OF GILBERTS, ILLINOIS

## Notes to the Financial Statements

April 30, 2019

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### 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, 2019, 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-2016 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, 2019

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### 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	\$ 3,667,951	2,566,354	1,701,426

##### Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2018	\$ 4,747,294	2,533,179	2,214,115
Changes for the Year:			
Service Cost	334,220	-	334,220
Interest on the Total Pension Liability	237,365	-	237,365
Difference Between Expected and Actual Experience of the Total Pension Liability	241,487	-	241,487
Changes of Assumptions	-	-	-
Contributions - Employer	-	313,356	(313,356)
Contributions - Employees	-	58,730	(58,730)
Net Investment Income	-	97,985	(97,985)
Benefit Payments, including Refunds of Employee Contributions	-	-	-
Administrative Expense	-	(9,238)	9,238
Net Changes	813,072	460,833	352,239
Balances at April 30, 2019	5,560,366	2,994,012	2,566,354



**VILLAGE OF GILBERTS, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2019**

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**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, 2019, the Village recognized pension expense of \$568,570. At April 30, 2019, 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	\$ 250,556	(32,830)	217,726
Change in Assumptions	692,975	(77,813)	615,162
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	124,538	-	124,538
Total Deferred Amounts Related to Police Pension	<u>1,068,069</u>	<u>(110,643)</u>	<u>957,426</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
2020	\$ 182,204
2021	167,544
2022	155,081
2023	136,829
2024	129,280
Thereafter	<u>186,488</u>
Total	<u>957,426</u>

**VILLAGE OF GILBERTS, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2019**

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**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

The Village has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Village are required to pay 100% of the current premium. However, 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. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Therefore, the Village has not recorded a liability as of April 30, 2019.

## **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, 2019**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 87,686	\$ 87,686	\$ -	\$ 757,867	11.57%
2017	95,277	95,277	-	779,682	12.22%
2018	98,289	98,289	-	880,602	11.16%
2019	85,056	85,056	-	818,460	10.39%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 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. Information for additional years will be displayed as it becomes available.

**VILLAGE OF GILBERTS, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
April 30, 2019**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered 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%
2018	280,479	305,825	25,346	601,872	50.81%
2019	304,899	313,356	8,457	686,778	45.63%

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	RP-2014 Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as Appropriate

Note: This schedule is intended to show information for ten years. Information for additional years 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, 2019**

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**See Following Page**

**VILLAGE OF GILBERTS, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Changes in the Employer's Net Pension Liability  
April 30, 2019**

	<u>12/31/015</u>
Total Pension Liability	
Service Cost	\$ 81,971
Interest	120,854
Differences Between Expected and Actual Experience	(23,388)
Change of Assumptions	-
Benefit Payments, Including Refunds of Member Contributions	<u>(49,643)</u>
Net Change in Total Pension Liability	129,794
Total Pension Liability - Beginning	<u>1,603,868</u>
Total Pension Liability - Ending	<u><u>1,733,662</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 87,686
Contributions - Members	34,104
Net Investment Income	5,645
Benefit Payments, Including Refunds of Member Contributions	(49,643)
Other (Net Transfer)	<u>17,661</u>
Net Change in Plan Fiduciary Net Position	95,453
Plan Net Position - Beginning	<u>1,092,978</u>
Plan Net Position - Ending	<u><u>1,188,431</u></u>
Employer's Net Pension Liability	<u><u>\$ 545,231</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.55%
Covered Payroll	\$ 757,867
Employer's Net Pension Liability as a Percentage of Covered Payroll	71.94%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/2016	12/31/17	12/31/18
84,420	93,844	86,851
130,568	138,526	153,023
(57,450)	107,819	72,437
(9,228)	(72,806)	75,092
(51,249)	(61,267)	(79,924)
97,061	206,116	307,479
1,733,662	1,830,723	2,036,839
1,830,723	2,036,839	2,344,318

95,277	100,932	86,380
35,086	39,702	36,987
83,491	223,247	(78,057)
(51,249)	(61,267)	(79,924)
1,434	(15,627)	32,343
164,039	286,987	(2,271)
1,188,431	1,352,470	1,639,457
1,352,470	1,639,457	1,637,186
478,253	397,382	707,132

73.88%	80.49%	69.84%
779,682	882,275	821,881
61.34%	45.04%	86.04%



## VILLAGE OF GILBERTS, ILLINOIS

### Police Pension Fund

#### Required Supplementary Information Schedule of Changes in the Employer's Net Pension Liability April 30, 2019

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 150,500
Interest	148,353
Differences Between Expected and Actual Experience	(133,722)
Change of Assumptions	164,527
Benefit Payments, Including	
Refunds of Member Contributions	<u>(33,536)</u>
Net Change in Total Pension Liability	296,122
Total Pension Liability - Beginning	<u>2,136,101</u>
Total Pension Liability - Ending	<u><u>2,432,223</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 113,747
Contributions - Members	49,223
Net Investment Income	28,068
Benefit Payments, Including	
Refunds of Member Contributions	(33,536)
Administrative Expense	<u>(8,476)</u>
Net Change in Plan Fiduciary Net Position	149,026
Plan Net Position - Beginning	<u>1,506,811</u>
Plan Net Position - Ending	<u><u>1,655,837</u></u>
Employer's Net Pension Liability	<u><u>\$ 776,386</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.08%
Covered Payroll	\$ 504,182
Employer's Net Pension Liability as a Percentage of Covered Payroll	153.99%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

2016	2017	2018	2019
219,498	245,683	257,967	334,220
121,611	199,363	214,917	237,365
55,076	(20,342)	(23,927)	241,487
1,158,843	(113,618)	-	-
-	-	-	-
1,555,028	311,086	448,957	813,072
2,432,223	3,987,251	4,298,337	4,747,294
3,987,251	4,298,337	4,747,294	5,560,366
117,040	246,974	305,825	313,356
52,985	55,531	62,308	58,730
13,528	36,415	25,278	97,985
-	-	-	-
(8,099)	(16,276)	(14,167)	(9,238)
175,454	322,644	379,244	460,833
1,655,837	1,831,291	2,153,935	2,533,179
1,831,291	2,153,935	2,533,179	2,994,012
2,155,960	2,144,402	2,214,115	2,566,354
45.93%	50.11%	53.36%	53.85%
534,657	581,519	601,872	686,778
403.24%	368.76%	367.87%	373.68%

**VILLAGE OF GILBERTS, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Schedule of Investment Returns  
April 30, 2019**

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Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	1.80%
2016	0.77%
2017	1.84%
2018	1.06%
2019	3.66%

Note:

This schedule is intended to show information for ten years. Information for additional years 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, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 1,551,220	1,551,220	1,569,025
Licenses, Permits and Fees	126,226	126,226	134,652
Intergovernmental	1,472,347	1,472,347	1,402,075
Charges for Services	1,101,559	1,101,559	1,139,042
Fines and Forfeits	48,200	48,200	28,399
Interest	17,045	17,045	99,094
Miscellaneous	1,709,654	1,895,204	143,816
Total Revenues	<u>6,026,251</u>	<u>6,211,801</u>	<u>4,516,103</u>
Expenditures			
General Government	980,815	980,815	873,523
Public Safety	1,622,622	1,622,622	1,534,364
Public Works	1,149,137	2,947,631	2,946,614
Parks and Recreation	59,259	59,259	31,126
Capital Outlay	93,100	93,100	29,185
Debt Service			
Principal Retirement	261,990	261,990	261,988
Interest and Fiscal Charges	55,527	55,527	57,069
Total Expenditures	<u>4,222,450</u>	<u>6,020,944</u>	<u>5,733,869</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,803,801</u>	<u>190,857</u>	<u>(1,217,766)</u>
Other Financing Sources (Uses)			
Debt Issuance	553,636	553,636	-
Transfers In	305,639	305,639	-
Transfers (Out)	(155,278)	(155,278)	-
	<u>703,997</u>	<u>703,997</u>	<u>-</u>
Net Change in Fund Balance	<u>2,507,798</u>	<u>894,854</u>	<u>(1,217,766)</u>
Fund Balance - Beginning			<u>5,254,386</u>
Fund Balance - Ending			<u>4,036,620</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
  - Community Days – 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**

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## **GENERAL FUND**

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

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## **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.

### **Community Days Fund**

The Community Days Fund is used to account for the activity associated with the Village's annual Gilberts Community Days event.

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## **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.

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## **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**

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## **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.

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## **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.

#### **Special Services Area #25 Fund**

The Special Services Area #25 Fund is used to account for debt service payments made by property holders relative to Special Service Area Bonds issued.

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# VILLAGE OF GILBERTS, ILLINOIS

## General Fund

### Schedule of Revenues - Budget and Actual For the Fiscal Year Ended April 30, 2019

	Budget		Actual
	Original	Final	
<b>Taxes</b>			
Property - General	\$ 1,137,900	1,137,900	1,138,784
Property - Road and Bridge	7,140	7,140	7,163
Utility - Communications	121,000	121,000	118,986
Utility - Electric	186,000	186,000	198,419
Utility - Gas	99,180	99,180	105,673
<b>Total Taxes</b>	<b>1,551,220</b>	<b>1,551,220</b>	<b>1,569,025</b>
<b>Licenses, Permits and Fees</b>			
Liquor Licenses	13,000	13,000	17,300
Pulltabs and Jar Games License	-	-	883
Business Licenses	3,800	3,800	3,250
ZBA/Planning Commission Hearings	6,000	6,000	-
Recycling	2,500	2,500	2,500
Vacant Building Registration	1,000	1,000	1,600
Raffle	100	100	60
Food Vendor Registration	200	200	-
Oversize Vehicle	1,000	1,000	2,300
Building Permits	65,813	65,813	68,489
Building Permits - Developer	25,313	25,313	26,960
Contractor Permits	7,500	7,500	11,310
<b>Total Licenses, Permits and Fees</b>	<b>126,226</b>	<b>126,226</b>	<b>134,652</b>
<b>Intergovernmental</b>			
State Income Tax	659,008	659,008	667,875
Replacement Tax	200	200	301
State Sales and Use Tax	790,918	790,918	712,414
Grants	22,221	22,221	21,485
<b>Total Intergovernmental</b>	<b>1,472,347</b>	<b>1,472,347</b>	<b>1,402,075</b>



**VILLAGE OF GILBERTS, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual - Continued  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual
	Original	Final	
Charges for Services			
Cable Franchise Fees	\$ 73,600	73,600	81,893
Refuse Removal Services	814,100	814,100	854,243
Police Reports	300	300	355
Impact Fees	151,950	151,950	140,542
Antenna Rental	60,909	60,909	60,909
Pavilion Rental	700	700	1,100
Total Charges for Services	<u>1,101,559</u>	<u>1,101,559</u>	<u>1,139,042</u>
Fines and Forfeitures			
Fines - Court	25,000	25,000	20,854
Police Enhanced DUI	20,000	20,000	4,500
Other	3,200	3,200	3,045
Total Fines and Forfeitures	<u>48,200</u>	<u>48,200</u>	<u>28,399</u>
Interest			
Investment Income	<u>17,045</u>	<u>17,045</u>	<u>99,094</u>
Miscellaneous			
Miscellaneous Income	<u>1,709,654</u>	<u>1,895,204</u>	<u>143,816</u>
Total Revenues	<u><u>6,026,251</u></u>	<u><u>6,211,801</u></u>	<u><u>4,516,103</u></u>

**VILLAGE OF GILBERTS, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual
	Original	Final	
General Government			
Administration			
Salaries and Wages	\$ 320,650	320,650	269,595
Benefits	103,729	103,729	67,021
Contractual Services	286,813	286,813	308,750
Commodities	4,250	4,250	4,443
Miscellaneous	46,900	46,900	23,319
	<u>762,342</u>	<u>762,342</u>	<u>673,128</u>
Building			
Salaries and Wages	124,200	124,200	134,470
Benefits	39,250	39,250	37,958
Contractual Services	50,323	50,323	25,424
Commodities	4,700	4,700	2,543
	<u>218,473</u>	<u>218,473</u>	<u>200,395</u>
Total General Government	<u>980,815</u>	<u>980,815</u>	<u>873,523</u>
Public Safety			
Police			
Salaries and Wages	851,000	851,000	838,952
Benefits	536,000	536,000	500,588
Contractual Services	201,914	201,914	162,993
Commodities	32,208	32,208	31,172
Miscellaneous	1,500	1,500	659
	<u>1,622,622</u>	<u>1,622,622</u>	<u>1,534,364</u>
Total Public Safety	<u>1,622,622</u>	<u>1,622,622</u>	<u>1,534,364</u>
Public Works			
Salaries and Wages	184,250	184,250	160,048
Benefits	62,500	62,500	51,624
Contractual Services	767,597	2,566,091	2,617,140
Commodities	134,790	134,790	117,802
	<u>1,149,137</u>	<u>2,947,631</u>	<u>2,946,614</u>
Total Public Works	<u>1,149,137</u>	<u>2,947,631</u>	<u>2,946,614</u>

**VILLAGE OF GILBERTS, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual
	Original	Final	
Parks and Recreation			
Salaries and Wages	\$ 17,000	17,000	12,924
Benefits	3,375	3,375	2,240
Contractual Services	32,839	32,839	14,364
Commodities	6,045	6,045	1,598
Total Parks and Recreation	59,259	59,259	31,126
Capital Outlay			
General Government	26,000	26,000	-
Public Safety	30,100	30,100	29,185
Parks and Recreation	37,000	37,000	-
Total Capital Outlay	93,100	93,100	29,185
Debt Service			
Principal Retirement	261,990	261,990	261,988
Interest and Fiscal Charges	55,527	55,527	57,069
Total Debt Service	317,517	317,517	319,057
Total Expenditures	4,222,450	6,020,944	5,733,869

**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, 2019**

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	<u>Actual</u>
Revenues	
Taxes	
Property	\$ 662,143
Interest	923
Total Revenues	<u>663,066</u>
Expenditures	
Debt Service	
Principal Retirement	240,200
Interest and Fiscal Charges	336,520
Total Expenditures	<u>576,720</u>
Net Change in Fund Balance	86,346
Fund Balance - Beginning	<u>137,507</u>
Fund Balance - Ending	<u><u>223,853</u></u>

**VILLAGE OF GILBERTS, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Balance Sheet  
April 30, 2019**

	Special Revenue		Capital	Totals
	Motor Fuel Tax	Community Days	Projects TIF #1	
<b>ASSETS</b>				
Cash and Investments	\$ 1,036,558	14,109	23,269	1,073,936
Receivables - Net of Allowances				
Property Taxes	-	-	147,871	147,871
Accounts	15,748	-	-	15,748
Due to Other Funds	-	-	190,569	190,569
Prepays	-	10,374	-	10,374
Total Assets	<u>1,052,306</u>	<u>24,483</u>	<u>361,709</u>	<u>1,438,498</u>
<b>LIABILITIES</b>				
Accounts Payable	-	1,149	-	1,149
Other Payables	-	12,678	-	12,678
Total Liabilities	-	13,827	-	13,827
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	-	-	147,871	147,871
Total Liabilities and Deferred Inflows of Resources	-	13,827	147,871	161,698
<b>FUND BALANCES</b>				
Nonspendable	-	10,374	-	10,374
Restricted - Highways and Streets	1,052,306	-	-	1,052,306
Restricted - Community Days	-	282	-	282
Restricted - Capital Projects	-	-	213,838	213,838
Total Fund Balances	<u>1,052,306</u>	<u>10,656</u>	<u>213,838</u>	<u>1,276,800</u>
Total Deferred Inflows of Resources and Fund Balances	<u>1,052,306</u>	<u>24,483</u>	<u>361,709</u>	<u>1,438,498</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, 2019**

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	<u>Special Revenue</u>		<u>Capital</u>	
	<u>Motor Fuel</u>	<u>Community</u>	<u>Projects</u>	
	<u>Tax</u>	<u>Days</u>	<u>TIF #1</u>	<u>Totals</u>
Revenues				
Taxes	\$ -	-	87,749	87,749
Intergovernmental	195,084	-	-	195,084
Interest	19,024	-	542	19,566
Miscellaneous	-	10,656	-	10,656
Total Revenues	<u>214,108</u>	<u>10,656</u>	<u>88,291</u>	<u>313,055</u>
Expenditures				
General Government				
Contractual Services	-	-	550	550
Net Change in Fund Balances	214,108	10,656	87,741	312,505
Fund Balances - Beginning	<u>838,198</u>	-	<u>126,097</u>	<u>964,295</u>
Fund Balances - Ending	<u>1,052,306</u>	<u>10,656</u>	<u>213,838</u>	<u>1,276,800</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, 2019**

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	<u>Actual</u>
Revenues	
Intergovernmental	\$ 195,084
Interest	<u>19,024</u>
Total Revenues	214,108
Expenditures	
Capital Outlay	<u>-</u>
Net Change in Fund Balance	214,108
Fund Balance - Beginning	<u>838,198</u>
Fund Balance - Ending	<u><u>1,052,306</u></u>

**VILLAGE OF GILBERTS, ILLINOIS**

**Community Days - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance  
For the Fiscal Year Ended April 30, 2019**

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	<u>Actual</u>
Revenues	
Miscellaneous	\$ 10,656
Expenditures	
General Government	
Contractual Services	<u>-</u>
Net Change in Fund Balance	10,656
Fund Balance - Beginning	<u>-</u>
Fund Balance - Ending	<u><u>10,656</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, 2019**

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	<u>Actual</u>
Revenues	
Taxes	
Property	\$ 87,749
Interest	<u>542</u>
Total Revenues	88,291
Expenditures	
General Government	
Contractual Services	<u>550</u>
Net Change in Fund Balance	87,741
Fund Balance - Beginning	<u>126,097</u>
Fund Balance - Ending	<u><u>213,838</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, 2019**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,591,540	1,591,540	1,567,880
Sales of Water Meters	11,750	11,750	11,737
Other Operating Revenues	1,000	1,000	500
Total Operating Revenues	<u>1,604,290</u>	<u>1,604,290</u>	<u>1,580,117</u>
Operating Expenses			
Operations			
Water	1,311,857	1,311,857	623,380
Wastewater	783,406	783,406	601,505
Total Operating Expenses	<u>2,095,263</u>	<u>2,095,263</u>	<u>1,224,885</u>
Operating Income (Loss)	<u>(490,973)</u>	<u>(490,973)</u>	<u>355,232</u>
Nonoperating Revenues (Expenses)			
Interest Income	23,500	63,455	99,284
Tap-On Fees	17,517	82,499	17,548
Interest Expense	(8,612)	(8,612)	(8,612)
	<u>32,405</u>	<u>137,342</u>	<u>108,220</u>
Budgetary Net Income Before GAAP Item	<u>(458,568)</u>	<u>(353,631)</u>	463,452
GAAP Item - Depreciation			<u>(481,454)</u>
Change in Net Position			(18,002)
Net Position - Beginning			<u>20,071,315</u>
Net Position - Ending			<u><u>20,053,313</u></u>

**VILLAGE OF GILBERTS, ILLINOIS**

**Utility - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual  
For the Fiscal Year Ended April 30, 2019**

	Budget		Actual
	Original	Final	
Operations			
Water			
Salaries and Wages	\$ 162,983	162,983	157,185
Benefits	85,674	85,674	70,920
Contractual Services	978,888	978,888	320,807
Commodities	84,312	84,312	74,468
Total Water	1,311,857	1,311,857	623,380
Wastewater			
Salaries and Wages	162,983	162,983	158,747
Benefits	54,884	54,884	46,112
Contractual Services	472,989	472,989	319,998
Commodities	92,550	92,550	76,648
Total Wastewater	783,406	783,406	601,505
Total Operations	2,095,263	2,095,263	1,224,885

**VILLAGE OF GILBERTS, ILLINOIS**

**Combining Statement of Changes in Assets and Liabilities - Agency Funds  
For the Fiscal Year Ended April 30, 2019**

	Beginning Balances	Additions	Deductions	Ending Balances
<b>All Funds</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 3,361,674	10,060,722	52,019	13,370,377
Due from Governments Funds	-	40,436	-	40,436
	<u>3,361,674</u>	<u>10,101,158</u>	<u>52,019</u>	<u>13,410,813</u>
<b>LIABILITIES</b>				
Deposits Payable	236,828	-	6,635	230,193
Due to Other Governments	-	41,338	-	41,338
Due to Bondholders	3,124,846	10,060,722	46,286	13,139,282
Total Liabilities	<u>3,361,674</u>	<u>10,102,060</u>	<u>52,921</u>	<u>13,410,813</u>
<b>Performance Bond Fund</b>				
<b>ASSETS</b>				
Cash and Investments	236,828	-	5,733	231,095
Due from Governments Funds	-	40,436	-	40,436
	<u>236,828</u>	<u>40,436</u>	<u>5,733</u>	<u>271,531</u>
<b>LIABILITIES</b>				
Deposits Payable	236,828	-	6,635	230,193
Due to Other Governments	-	41,338	-	41,338
Total Liabilities	<u>236,828</u>	<u>41,338</u>	<u>6,635</u>	<u>271,531</u>

	Beginning Balances	Additions	Deductions	Ending Balances
<b>Special Service Area #9 Fund</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 1,783,257	56,457	-	1,839,714
<b>LIABILITIES</b>				
Due to Bondholders	1,783,257	56,457	-	1,839,714
<b>Special Service Area #15 Fund</b>				
<b>ASSETS</b>				
Cash and Investments	1,121,528	38,168	-	1,159,696
<b>LIABILITIES</b>				
Due to Bondholders	1,121,528	38,168	-	1,159,696
<b>Special Service Area #24 Fund</b>				
<b>ASSETS</b>				
Cash and Investments	220,061	-	46,286	173,775
<b>LIABILITIES</b>				
Due to Bondholders	220,061	-	46,286	173,775
<b>Special Service Area #25 Fund</b>				
<b>ASSETS</b>				
Cash and Investments	-	9,966,097	-	9,966,097
<b>LIABILITIES</b>				
Due to Bondholders	-	9,966,097	-	9,966,097

**VILLAGE OF GILBERTS, ILLINOIS**

**Consolidated Year-End Financial Report**

**April 30, 2019**

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CSFA #	Program Name	State	Federal	Other	Total
494-00-0967	High-Growth Cited Program	\$ -	-	-	-
494-00-1488	Motor Fuel Tax Program	-	-	-	-
	Other Grant Programs and Activities	-	-	21,485	21,485
	All Other Costs Not Allocated	-	-	8,876,790	8,876,790
	Totals	-	-	8,898,275	8,898,275

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## **SUPPLEMENTAL SCHEDULES**

**VILLAGE OF GILBERTS, ILLINOIS**

**Schedule of Long-Term Debt Requirements**

**Taxable General Obligation Alternate Revenue Source Bonds of 2010  
April 30, 2019**

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
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>81,373</u>	<u>5,802</u>	<u>87,175</u>		<u>2,901</u>		<u>2,901</u>



**VILLAGE OF GILBERTS, ILLINOIS**

**Schedule of Long-Term Debt Requirements**

**General Obligation Alternate Revenue Source Bonds of 2011  
April 30, 2019**

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
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>645,000</u>	<u>52,400</u>	<u>697,400</u>		<u>26,200</u>		<u>26,200</u>

**VILLAGE OF GILBERTS, ILLINOIS**

**Schedule of Long-Term Debt Requirements**

**Installment Note Payable of 2017**

**April 30, 2019**

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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>
2020	\$ 24,616	17,510	42,126
2021	25,487	16,639	42,126
2022	491,396	11,975	503,371
	<u>541,499</u>	<u>46,124</u>	<u>587,623</u>

**VILLAGE OF GILBERTS, ILLINOIS**

**Schedule of Long-Term Debt Requirements**

**IEPA (L17-4866) Loan Payable of 2014  
April 30, 2019**

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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
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	7,165	32,991	2021	3,645	2022	3,520
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	4,012	32,991	2027	2,075	2028	1,937
2029	29,542	3,449	32,991	2028	1,796	2029	1,653
2030	30,114	2,877	32,991	2029	1,510	2030	1,367
2031	30,698	2,293	32,991	2030	1,220	2031	1,073
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>427,894</u>	<u>66,971</u>	<u>494,865</u>		<u>34,514</u>		<u>32,457</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, 2019 (Unaudited)**

	2010	2011	2012
<b>Governmental Activities</b>			
Net Investment in Capital Assets	\$ 45,848,824	40,018,951	44,202,537
Restricted	2,206,117	2,971,574	2,625,289
Unrestricted	(315,287)	(439,447)	88,641
<b>Total Governmental Activities Net Position</b>	<b>47,739,654</b>	<b>42,551,078</b>	<b>46,916,467</b>
<b>Business-Type Activities</b>			
Net Investment in Capital Assets	19,099,910	18,676,467	18,376,762
Unrestricted	2,789,698	2,758,542	2,800,301
<b>Total Business-Type Activities Net Position</b>	<b>21,889,608</b>	<b>21,435,009</b>	<b>21,177,063</b>
<b>Primary Government</b>			
Net Investment in Capital Assets	64,948,734	58,695,418	62,579,299
Restricted	2,206,117	2,971,574	2,625,289
Unrestricted	2,474,411	2,319,095	2,888,942
<b>Total Primary Government Net Position</b>	<b>69,629,262</b>	<b>63,986,087</b>	<b>68,093,530</b>

\* Accrual Basis of Accounting

Data Source: Village Records

2013	2014	2015	2016	2017	2018	2019
43,563,176	42,863,643	43,154,673	42,295,178	39,409,855	38,821,056	38,228,679
2,723,864	2,878,238	1,854,665	2,821,922	3,616,075	4,833,443	4,405,457
561,746	1,346,579	1,804,220	(2,382,364)	130,438	(319,089)	(989,826)
46,848,786	47,088,460	46,813,558	42,734,736	43,156,368	43,335,410	41,644,310
18,055,760	17,866,099	17,282,018	16,834,144	16,442,566	15,991,640	15,558,480
3,028,960	3,148,649	3,089,550	3,146,666	3,531,368	4,079,675	4,494,833
21,084,720	21,014,748	20,371,568	19,980,810	19,973,934	20,071,315	20,053,313
61,618,936	60,729,742	60,436,691	59,129,322	55,852,421	54,812,696	53,787,159
2,723,864	2,878,238	1,854,665	2,821,922	3,616,075	4,833,443	4,405,457
3,590,706	4,495,228	4,893,770	764,302	3,661,806	3,760,586	3,505,007
67,933,506	68,103,208	67,185,126	62,715,546	63,130,302	63,406,725	61,697,623

VILLAGE OF GILBERTS, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years\*  
 April 30, 2019 (Unaudited)

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses</b>									
<b>Governmental Activities</b>									
General Government	2,023,929	1,595,186	1,801,758	1,831,654	2,187,002	3,269,423	9,571,335	1,895,748	2,032,082
Public Safety	1,170,590	1,178,237	1,309,823	1,265,648	1,371,625	1,343,362	1,674,079	1,627,273	1,661,470
Public Works	846,563	461,833	811,006	890,430	949,598	1,015,222	946,645	952,705	1,024,810
Parks and Recreation	26,047	20,793	33,550	25,094	29,762	14,433	46,010	67,649	49,264
Interest on Long-Term Debt	34,709	50,240	47,571	92,707	85,674	81,620	511,720	447,680	400,460
Total Governmental Activities Expenses	4,101,838	3,306,289	4,003,708	4,105,533	4,623,661	5,724,060	12,749,789	4,991,055	5,168,086
<b>Business-Type Activities</b>									
Utility	1,479,934	1,609,667	1,464,386	1,355,060	1,435,310	1,463,286	1,707,481	1,750,744	1,762,783
Total Primary Government Expenses	5,581,772	4,915,956	5,468,094	5,460,593	6,058,971	7,187,346	14,457,270	6,741,799	6,930,869
<b>Program Revenues</b>									
<b>Governmental Activities</b>									
Charges for Services	471,189	533,193	1,154,509	1,112,989	1,168,243	1,094,229	1,405,678	1,693,644	1,328,458
General Government	315	230	170	215	245	370	290	300	310
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Operating Grants/Contributions	187,060	202,328	221,036	228,177	571,448	712,209	200,479	220,231	201,472
Capital Grants/Contributions	-	-	676,552	-	-	-	4,682,521	-	-
Total Governmental Activities Program Revenues	658,564	735,751	2,052,267	1,341,381	1,739,936	1,806,808	6,288,968	1,914,175	1,530,240
<b>Business-Type Activities</b>									
Charges for Services	1,083,273	1,153,634	1,205,048	1,260,335	1,224,460	1,197,017	1,305,417	1,681,690	1,794,185
Utility	-	-	-	-	-	170,238	-	-	-
Capital Grants/Contributions	1,083,273	1,153,634	1,205,048	1,260,335	1,224,460	1,367,255	1,305,417	1,681,690	1,794,185
Total Primary Government Program Revenues	1,741,837	1,889,385	3,257,315	2,601,716	2,964,396	3,174,063	7,594,385	3,595,865	3,324,425

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (Expenses) Revenues									
Governmental Activities	(3,443,274)	(2,570,538)	(1,951,441)	(2,764,152)	(2,883,725)	(3,917,252)	(6,460,821)	(3,076,880)	(3,637,846)
Business-Type Activities	(396,661)	(456,033)	(259,338)	(94,725)	(210,850)	(96,031)	(402,064)	(69,054)	31,402
Total Primary Government	(3,839,935)	(3,026,571)	(2,210,779)	(2,858,877)	(3,094,575)	(4,013,283)	(6,862,885)	(3,145,934)	(3,606,444)
Net (Expenses) Revenues									
Governmental Activities	869,696	930,188	943,158	935,382	975,625	1,098,562	1,373,173	1,569,714	1,781,156
Income	505,453	496,180	555,599	619,939	670,332	673,692	733,112	650,236	623,801
Replacement	303	337	304	301	345	251	341	305	292
Use	227,491	233,333	293,396	470,508	477,322	548,767	598,855	672,627	726,301
Utility	482,478	515,758	447,782	552,070	486,113	462,055	410,296	419,928	410,825
Interest	46,428	33,112	20,573	23,141	18,574	42,482	87,159	71,803	66,684
Miscellaneous	51,017	76,985	56,018	95,130	495,088	241,817	181,905	113,899	207,829
Gain on Sale of Capital Assets	3,860	-	-	-	-	-	-	-	-
Contributions	1,031,327	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	574,724	-	-	-
Total Governmental Activities	3,218,053	2,285,893	2,316,830	2,696,471	3,123,399	3,642,350	3,384,841	3,498,512	3,816,888
Business-Type Activities	3,371	1,434	1,392	2,382	140,878	27,575	81,743	62,178	65,979
Interest	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	(574,724)	-	-	-
Transfers	-	-	-	-	-	(547,149)	-	-	-
Total Business-Type Activities	3,371	1,434	1,392	2,382	140,878	(547,149)	81,743	62,178	65,979
Total Primary Government	3,221,424	2,287,327	2,318,222	2,698,853	3,264,277	3,095,201	3,466,584	3,560,690	3,882,867
Changes in Net Position									
Governmental Activities	(225,221)	(284,645)	365,389	(67,681)	239,674	(274,902)	(3,075,980)	421,632	179,042
Business-Type Activities	(393,290)	(454,599)	(257,946)	(92,343)	(69,972)	(643,180)	(320,321)	(6,876)	97,381
Total Primary Government	(618,511)	(739,244)	107,443	(160,024)	169,702	(918,082)	(3,396,301)	414,756	276,423

\* Accrual Basis of Accounting

Data Source: Village Records



**VILLAGE OF GILBERTS, ILLINOIS**

**Fund Balances of Governmental Funds - Last Ten Fiscal Years\***  
**April 30, 2019 (Unaudited)**

	2010	2011	2012
General Fund			
Reserved	\$ 1,186,095	-	-
Unreserved	248,390	-	-
Nonspendable	-	35,494	47,161
Restricted	-	1,366,216	1,654,180
Unassigned	-	491,150	702,133
Total General Fund	<u>1,434,485</u>	<u>1,892,860</u>	<u>2,403,474</u>
All Other Governmental Funds			
Reserved	1,070,385	-	-
Unreserved, Reported in, Capital Projects Funds	(574,724)	-	-
Nonspendable	-	-	-
Restricted	-	1,605,358	971,109
Unassigned	-	(574,724)	(574,724)
Total All Other Governmental Funds	<u>495,661</u>	<u>1,030,634</u>	<u>396,385</u>
Total Governmental Funds	<u><u>1,930,146</u></u>	<u><u>2,923,494</u></u>	<u><u>2,799,859</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.

2013	2014	2015	2016	2017	2018	2019
-	-	-	-	-	-	-
-	-	-	-	-	-	-
51,289	52,120	44,038	48,023	49,928	49,928	49,928
1,902,510	2,015,774	1,223,868	2,202,748	2,832,643	3,731,641	2,915,178
1,160,786	1,921,913	1,808,952	1,500,146	1,782,517	1,472,817	1,071,514
3,114,585	3,989,807	3,076,858	3,750,917	4,665,088	5,254,386	4,036,620
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	10,374
821,354	862,464	630,797	619,174	783,432	1,101,802	1,490,279
(574,724)	(574,724)	-	-	-	-	-
246,630	287,740	630,797	619,174	783,432	1,101,802	1,500,653
3,361,215	4,277,547	3,707,655	4,370,091	5,448,520	6,356,188	5,537,273

**VILLAGE OF GILBERTS, ILLINOIS**

**Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years\***  
**April 30, 2019 (Unaudited)**

	2010	2011	2012
<b>Revenues</b>			
Taxes	\$ 1,352,174	1,445,946	1,390,940
Licenses, Permits and Fees	217,424	240,463	166,014
Intergovernmental	912,308	932,178	1,070,335
Charges for Services	186,067	236,695	904,612
Fines and Forfeitures	73,662	55,998	84,053
Interest	46,428	49,266	20,573
Contribution Revenue	-	-	-
Miscellaneous	53,367	76,985	56,018
<b>Total Revenues</b>	<b>2,841,430</b>	<b>3,037,531</b>	<b>3,692,545</b>
<b>Expenditures</b>			
General Government	1,441,493	756,846	3,578,316
Public Safety	1,089,104	1,147,368	1,236,297
Public Works	325,997	336,538	784,690
Parks and Recreation	33,879	19,871	33,550
Capital Outlay	821,747	43,391	71,921
Debt Service			
Principal Retirement	46,206	66,573	76,741
Interest and Fiscal Charges	32,009	45,365	61,819
<b>Total Expenditures</b>	<b>3,790,435</b>	<b>2,415,952</b>	<b>5,843,334</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(949,005)</b>	<b>621,579</b>	<b>(2,150,789)</b>
<b>Other Financing Sources (Uses)</b>			
Debt Issuance	122,158	356,656	2,672,939
Payment to Escrow Agent	-	-	(699,309)
Premium on Debt Issuance	-	-	53,524
Proceeds from Sale of Capital Assets	3,860	31,000	-
Transfers In	75,353	85,337	659,539
Transfers Out	(75,353)	(85,337)	(659,539)
<b>Total Other Financing Sources (Uses)</b>	<b>126,018</b>	<b>387,656</b>	<b>2,027,154</b>
<b>Net Change in Fund Balances</b>	<b>(822,987)</b>	<b>1,009,235</b>	<b>(123,635)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>2.39%</b>	<b>4.63%</b>	<b>5.43%</b>

\* Modified Accrual Basis of Accounting  
 Data Source: Village Records

2013	2014	2015	2016	2017	2018	2019
1,487,452	1,461,738	1,560,617	1,783,469	1,989,642	2,191,981	2,318,917
127,331	192,768	115,705	161,056	263,796	134,988	134,652
1,318,925	1,719,447	1,934,919	1,532,787	1,543,399	1,551,866	1,597,159
878,778	882,590	906,973	1,183,907	1,388,805	1,147,898	1,139,042
107,095	93,130	71,921	61,005	41,343	45,882	28,399
23,141	18,574	42,482	87,159	71,803	66,684	119,583
-	-	-	181,905	-	-	-
95,130	495,088	241,817	-	113,899	207,829	154,472
4,037,852	4,863,335	4,874,434	4,991,288	5,412,687	5,347,128	5,492,224
913,990	1,304,372	2,013,871	7,988,913	921,364	1,024,599	874,073
1,235,342	1,332,082	1,303,596	1,255,078	1,386,741	1,441,510	1,534,364
824,506	884,502	955,868	898,011	884,635	980,281	2,946,614
25,094	29,762	14,433	46,010	67,649	49,264	31,126
149,183	32,818	1,398,908	554,430	318,524	57,398	29,185
287,920	276,940	251,817	322,611	926,363	485,560	502,188
111,461	90,310	83,758	367,777	422,806	409,219	393,589
3,547,496	3,950,786	6,022,251	11,432,830	4,928,082	4,447,831	6,311,139
490,356	912,549	(1,147,817)	(6,441,542)	484,605	899,297	(818,915)
71,000	-	-	7,100,000	593,824	-	-
249,061	-	-	-	-	-	-
(249,061)	-	-	-	-	-	-
-	3,783	3,201	3,978	-	8,371	-
-	174,414	786,430	135,341	134,131	-	-
-	(174,414)	(211,706)	(135,341)	(134,131)	-	-
71,000	3,783	577,925	7,103,978	593,824	8,371	-
561,356	916,332	(569,892)	662,436	1,078,429	907,668	(818,915)
11.71%	9.37%	6.72%	10.38%	28.97%	20.34%	14.25%

**VILLAGE OF GILBERTS, ILLINOIS**

**Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

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Fiscal Year	Tax Levy Year	Residential Property	Farm	Commercial Property
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
2018	2017	187,024,808	1,249,711	1,821,957
2019	2018	200,180,711	1,197,969	1,945,444

Data Source: Office of the County Clerk

Industrial Property	Railroad Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
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
12,167,830	328,164	-	202,592,470	0.5645
12,410,500	352,644	-	216,087,268	0.5500

**VILLAGE OF GILBERTS, ILLINOIS**

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years  
April 30, 2019 (Unaudited)**

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	2009	2010	2011	2012
Village Direct Rates				
General	0.3242	0.3597	0.3838	0.4676
Police Pension	0.0642	0.0579	0.0697	0.0535
Total Direct Rates	0.3884	0.4177	0.4535	0.5212
Overlapping Rates				
Dundee Township Library	0.1306	0.1456	0.1582	0.1811
School District #300	3.9687	4.4615	4.7987	5.6752
Kane County	0.3398	0.3730	0.3990	0.4336
Rutland Township Fire	0.4456	0.4814	0.5451	0.6267
Community College #509	0.3833	0.4407	0.4454	0.5215
Other	0.7937	0.8914	0.9854	1.0957
Total Direct and Overlapping Rates	6.4501	7.2113	7.7853	9.0550

Data Source: Office of the County Clerk

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

2013	2014	2015	2016	2017	2018
0.5344	0.5511	0.5449	0.4321	0.4148	0.3691
0.0679	0.0708	0.0705	0.1485	0.1496	0.1808
0.6023	0.6219	0.6154	0.5806	0.5645	0.5500
0.2061	0.2171	0.2095	0.1941	0.1864	0.1798
6.3182	6.7211	6.5437	6.1397	5.8763	5.6964
0.4623	0.4684	0.4473	0.4201	0.4025	0.3877
0.7148	0.7459	0.7258	0.6824	0.6649	0.6447
0.5707	0.6076	0.5609	0.5296	0.4999	0.5075
1.2569	1.4155	1.2543	1.1128	0.2608	0.2551
10.1313	10.7974	10.3569	9.6592	8.4553	8.2210



**VILLAGE OF GILBERTS, ILLINOIS**

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago  
April 30, 2019 (Unaudited)**

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
CHILCOTT LLC	\$ 5,073,916	1	2.35%			
CICF I IL 1 B03 LLC	3,002,700	2	1.39%			
Sola Paragon LLC 389 Sola Dr	849,710	3	0.39%			
T Corp	786,465	4	0.36%	\$ 594,289	3	0.27%
Waitcus Trust	652,404	5	0.30%	520,248	6	0.24%
Glogovsky Real Estate LLC	607,603	6	0.28%			
275 Sola Gilberts LLC	453,580	7	0.21%			
96 Center LLC	435,344	8	0.20%			
Hayden Properties	431,724	9	0.20%			
Tinks Ink LLC	416,025	10	0.19%	453,387	7	0.21%
RESI LLC				402,252	9	0.18%
White Angels LLC				589,890	4	0.27%
Wach City Eerie #1047				401,972	10	0.18%
Majority Investments LLC				875,913	1	0.40%
IMV 3 Conserv LLC				642,722	2	0.30%
Gray Wing LLC				565,155	5	0.26%
Plote Homes LLC				422,075	8	0.19%
	<u>12,709,471</u>		<u>5.88%</u>	<u>5,467,903</u>		<u>2.51%</u>
Equalized Assessed Value	<u>216,087,268</u>			<u>217,785,097</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, 2019 (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
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%
2018	2017	1,069,847	1,068,205	99.85%	-	1,068,205	99.85%
2019	2018	1,143,574	1,143,436	99.99%	-	1,143,436	99.99%

Data Source: Office of the County Clerk

**VILLAGE OF GILBERTS, ILLINOIS**

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

Fiscal Year	Governmental Activities			Business-Type Activities IEPA Loan	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					
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
2018	964,496	6,739,300	565,364	452,273	8,721,433	3.23%	4.30%	1,117.13
2019	726,373	6,499,100	541,499	427,894	8,194,866	3.14%	3.79%	1,041.41

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, 2019 (Unaudited)**

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Fiscal Year	General Obligation Bonds	Less: Amounts Available for Debt Service	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
2010	\$ 356,656	\$ -	\$ 356,656	0.17%	\$ 51.85
2011	-	-	-	0.00%	-
2012	2,299,311	-	2,299,311	1.25%	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
2018	964,496	-	964,496	0.48%	123.54
2019	726,373	-	726,373	0.34%	92.31

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, 2019 (Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Village (1)	Village's Share of Debt
Village	\$ 7,766,972	100.000%	\$ 7,766,972
<b>Overlapping Debt</b>			
Kane County	88,525,000	1.48%	1,310,170
Kane County Forest Preserve	154,575,000	1.48%	2,287,710
Dundee Township	16,640,245	0.58%	96,513
Dundee Township Park District	19,014,755	1.35%	256,699
Community College District No. 509	180,481,188	1.61%	2,905,747
School District No. 300	268,404,550	6.10%	16,372,678
School District No. 158	90,786,919	0.05%	45,393
Gilberts Special Service Area #9	1,550,003	100.00%	1,550,003
Gilberts Special Service Area #15	805,001	100.00%	805,001
Gilberts Special Service Area #24	9,956,229	100.00%	9,956,229
<b>Total Overlapping Debt</b>	<b>830,738,890</b>		<b>35,586,144</b>
<b>Total Direct and Overlapping Debt</b>	<b>838,505,862</b>		<b>43,353,116</b>

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, 2019 (Unaudited)**

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	2010	2011	2012
Legal Debt Limit	\$ 18,783,965	18,385,621	17,478,279
Total Net Debt Applicable to Limit	868,575	1,158,658	755,890
Legal Debt Margin	17,915,390	17,226,963	16,722,389
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	4.62%	6.30%	4.32%

Data Source: Village Records

2013	2014	2015	2016	2017	2018	2019
15,928,929	14,320,068	14,253,406	14,649,093	15,893,462	17,473,601	18,637,527
776,578	707,383	669,015	629,423	588,467	565,364	541,499
15,152,351	13,612,685	13,584,391	14,019,670	15,304,995	16,908,237	18,096,028
4.88%	4.94%	4.69%	4.30%	3.70%	3.24%	2.91%

Legal Debt Margin Calculation for Fiscal Year 2019

Assessed Value - 2018 Levy	<u>\$ 216,087,268</u>
Bonded Debt Limit - 8.625% of Assessed Value	18,637,527
Amount of Debt Applicable to Limit	<u>541,499</u>
Legal Debt Margin	<u>18,096,028</u>

## VILLAGE OF GILBERTS, ILLINOIS

### Demographic and Economic Statistics - Last Ten Fiscal Years April 30, 2019 (Unaudited)

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Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
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%
2018	7,807	269,873,613	34,568	4.50%
2019	7,869	261,272,734	33,203	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, 2019 (Unaudited)**

Employer	2019			2010		
	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	40	6	1.00%	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>944</u>		<u>23.59%</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, 2019 (Unaudited)**

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Administration - Full-Time	3	3	3	3	3	3	3	3	3	2
Administration - Part-Time	2	2	2	2	2	1	1	1	1	2
Finance	1	1	1	1	2	2	2	2	2	2
Building and Zoning	2	2	2	2	2	2	2	2	2	2
Public Safety										
Police										
Officers - Full-Time	8	8	8	8	8	8	8	8	8	8
Officers - Part-Time	14	9	9	12	11	11	10	10	10	12
Civilians - Full-Time	1	1	-	-	-	-	-	-	-	-
Civilians - Part-Time	-	-	-	-	1	1	1	1	1	1
Public Works										
Other - Full-Time	3	3	2	2	2	2	2	2	3	3
Other - Part-Time	1	1	2	1	1	1	1	1	1	1
Utility										
Other - Full-Time	-	3	3	4	4	4	4	4	4	5
Other - Part-Time	-	-	-	-	-	-	-	1	1	-
Totals	35	33	32	35	36	35	34	35	36	38

Data Source: Village Records

## VILLAGE OF GILBERTS, ILLINOIS

### Operating Indicators by Function/Program - Last Ten Fiscal Years April 30, 2019 (Unaudited)

Function/Program	2010	2011	2012
General Government			
Business Licenses	110	103	72
Liquor Licenses	8	8	8
Public Safety			
Police			
Part I Crimes	-	3	46
Part II Crimes	40	47	145
Physical Arrests	11	11	125
Parking Violations	39	48	66
Traffic Violations	1,576	1,046	1,217
Public Works			
Parkway Trees Trimmed	55	60	300
Street Resurfacing (Miles)	-	-	6
Potholes Repaired	60	60	50
Utility			
Number of Metered Accounts	1,662	1,697	1,732
Number of Hydrants Flushed/Inspected	318	318	318
New Connections	16	35	33
Water Average Daily Consumption	537,000	455,000	493,000
Average Daily Sewage Treatment	333,000	414,000	416,000

Data Source: Various Village Departments

2013	2014	2015	2016	2017	2018	2019
82	104	132	60	86	44	111
8	9	8	7	7	9	11
41	48	24	21	31	45	23
113	108	82	89	105	114	128
134	96	67	60	57	35	34
87	105	37	57	37	163	102
1,256	1,133	1,526	1,339	1,330	1,406	947
452	315	200	150	175	75	85
-	-	-	1	-	3	2
50	78	90	110	120	120	130
1,650	1,749	1,777	1,780	1,865	1,930	1,955
318	318	384	384	384	384	384
26	40	17	8	108	33	25
525,000	467,000	447,417	501,000	500,000	520,000	458,000
409,000	406,000	408,417	481,000	431,000	458,000	478,000

**VILLAGE OF GILBERTS, ILLINOIS**

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years  
April 30, 2019 (Unaudited)**

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Function/Program	2010	2011	2012
Public Safety			
Police			
Stations	1	1	1
Patrol Units	9	11	11
Public Works			
Streets (Miles)	29	29	31
Streetlights	149	149	155
Traffic Signals	5	5	5
Utility			
Water Mains (Miles)	37	37	37
Fire Hydrants	316	316	316
Sanitary Sewers (Miles)	31	31	31
Storm Sewers (Miles)	30	30	30

Data Source: Various Village Departments

2013	2014	2015	2016	2017	2018	2019
1	1	1	1	1	1	1
11	11	10	10	10	10	10
31	31	31	32	32	32	32
155	155	195	205	205	205	205
5	5	5	5	5	5	5
37	37	37	37	37	37	37
316	316	384	384	384	384	384
31	31	37	37	37	37	37
30	30	37	37	37	37	37