

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
OF THE  
VILLAGE OF CHICAGO RIDGE, ILLINOIS**  
As of and for the Year Ended December 31, 2014

# VILLAGE OF CHICAGO RIDGE

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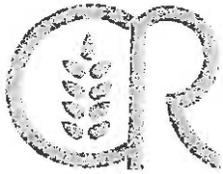
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## VILLAGE OF CHICAGO RIDGE

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CHARLES E. TOKAR  
PRESIDENT

GEORGE M. SCHLEYER  
VILLAGE CLERK

TRUSTEES:

AMANDA V. CARDIN  
FRANCES M. COGLIANESE  
SALLY A. DURKIN  
JOHN "JACK" LIND  
WILLIAM R. McFARLAND  
BRUCE D. QUINTOS

August 25, 2015

**To the Members of the Village Board and Citizens of the Village of Chicago Ridge, Illinois.**

State Law requires that all general-purpose local governments publish each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Village of Chicago Ridge for the fiscal year ended December 31, 2014.

This report consists of management's representations concerning the finances of the Village of Chicago Ridge. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Village of Chicago Ridge has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village of Chicago Ridge's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village of Chicago Ridge's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Baker Tilly Virchow Krause, LLP, a firm of licensed certified public accountants, has audited the Village of Chicago Ridge's financial statements. The goal of the independent audit was to provide a reasonable assurance that the financial statements of the Village of Chicago Ridge for the fiscal year ended December 31, 2014 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the Village of Chicago Ridge's financial statements for the year ended December 31, 2014 are fairly presented in conformity with GAAP. The independent auditors report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment the MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

**This Report is presented in three sections:**

The Introductory section contains a table of contents, this transmittal letter, a list of elected and appointed officials, and an organizational chart.

The Financial section contains the auditor's report on the financial statements and schedules, management's discussion and analysis, the basic financial statements, the notes to financial statements, required supplementary information, and the combining and individual fund schedules.

The Statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

**General Information**

The Village of Chicago Ridge is a home-rule unit of government under the 1970 constitution of the state of Illinois and pursuant to the passage of a home-rule referendum in March 1994. The Village is located in the southwest portion of Cook County, Illinois, which is about 20 miles southwest of downtown Chicago. The Village is bordered by the Village of Oak Lawn to the south, east and west; the Village of Worth and unincorporated Cook County to the north. The Village encompasses an area of approximately two and one third square miles and was incorporated in 1914. The Village population as of the 2010 Census is 14,305. The Village tax base is largely residential with significant retail and industrial development as well.

The legislative authority is a seven member Board elected at large and consists of six trustees and a Board President (Mayor) each serving a four-year term. Terms are staggered to allow for election of at least three members every two years. The President and Village Board, among other things, are responsible for passing ordinances, adopting a budget, appointing committees, setting policies and goals, and hiring of employees.

The Village of Chicago Ridge provides a full range of services, including police and fire protection, ambulance service, public works and sewer/water service.

The annual budget ordinance serves as the foundation for the Village of Chicago Ridge's financial planning and control. All departments of the Village are required to work with the Budget Officer to submit a proposed budget to the Village Board for review and approval, with final passage of the budget ordinance after a public hearing before the end of the last quarter of the fiscal year (January 1 through December 31). The budget ordinance is categorized by fund and department. Transfers of funds between the different departments or funds require approval of the Village Board. Budget to actual comparisons are provided in this report for each individual governmental fund for which an annual appropriated budget has been adopted.

**Major Initiatives**

The Village is committed to ensuring that its residential and business communities are well served. To that end, the Village staff, following objectives outlined by the President and Village Board, has been involved in various projects throughout the year. Among the many initiatives and capital improvements completed during fiscal year 2014, the following were the most important:

- ❑ Continuing the Village's water main rehabilitation program, Lombard Avenue between 107th Street and 109th Street had new water mains installed at a cost of \$222,299. Another \$32,000 will be paid out in 2015 to finish out the project. Street reconstruction costs associated with the Lombard Avenue water main installation, together with street repairs on Forest Lane from Pamela Drive to Ridge Drive totaled another \$167,000.
- ❑ The Village sign in front of the Municipal Complex had to be replaced, as parts were no longer available for the original fifteen year-old sign. The cost of replacement was \$33,000, paid from the Capital Improvement Fund.
- ❑ Also from the Capital Improvement Fund, the Village contracted with Griffon Systems to replace and upgrade the security camera systems at the Village Hall and the Police Department at a combined cost of \$53,120. Further upgrades are intended to take place in 2015 at the Fire Department Headquarters and the recently opened Lombard Fire Station at an expected cost of approximately \$50,000.
- ❑ Other Capital Improvement projects included adding lights and signage to improve pedestrian safety around the Ridgeland Avenue Metra Station, with a cost of approximately \$30,000. In addition, concrete sidewalk repairs at the entrances to the Village Hall and Police Department were completed, at a cost of \$22,800.
- ❑ The Village started a program in 2013 that will upgrade its street signs throughout the community to larger, more reflective signage in keeping with Illinois Department of Transportation's guidelines. The initial cost of this upgrade in 2013 was under \$2,500, with the cost in 2014 pegged at \$8,243. The program will continue in 2015.
- ❑ From the Building & Land acquisition line item in the Capital Improvement Fund, the Village purchased a large residential lot at 10215 Harlem Avenue for \$238,850. The lot is part of the 105 acre Harlem Avenue TIF District and until redevelopment occurs, it will be used by the Public Works Department.
- ❑ From the Sewer Fund, a sanitary sewer repair was completed on Nashville Avenue at a cost of \$7,923.
- ❑ Two Ford Interceptor police vehicles were purchased as replacement vehicles at a cost of \$68,000 from the Police budget, one vehicle was purchased from the Fire Department budget at \$30,000, and one other vehicle was purchased from the Emergency Management budget at a cost of \$48,000.
- ❑ As in previous years, approximately \$400,000 in Motor Fuel Tax funds were transferred to the Village's General Fund. These dollars primarily covered street repairs, salaries in the Street Department and the purchase of street salt (\$42,359).
- ❑ Approximately \$9,500 was spent in 2014 from the Capital Improvement Fund as the Village's share of the cost for the 50/50 residential sidewalk replacement program.
- ❑ Computer hardware purchases in the Police Department and Administration totaled under \$8,000.

- ❑ In the Fire Department, the Village received a grant of \$214,533 toward the purchase of a new ambulance, which was finally received in spring of 2014. This vehicle replaced our oldest ambulance, a 1996 model, which was turned over to our Emergency Management Agency for use as a command vehicle. The Village's share above the grant amount for the purchase was \$24,177 and was paid from the Capital Improvement Fund. The Village also purchased a new Stryker automated stretcher at a cost of \$18,995, which is expected to reduce lower back injuries to Department personnel.
- ❑ A complete remodeling and refurbishing of the Village's original fire station located at 107th and Lombard was begun in the fall of 2014, with a Grand Re-Opening on March 21, 2015. Much of the work was done by off-duty paid-on-call firefighters, with the remaining electrical and plumbing work finished by contractors. The entire cost was approximately \$30,000. Opening this second fire station, with a second ambulance and fire truck located in the heart of the Village's single-family residential area, has considerably reduced ambulance and fire response times by a minimum of two to three minutes. It has also allowed the Village to capture ambulance fees that have been going to other nearby departments responding to calls in Chicago Ridge when our single ambulance was busy elsewhere. With the cooperation of our full-time firefighters, the Village has also been able to begin a part-time firefighter/paramedic program to assist in properly and cost effectively manning our fire rescue service.
- ❑ Finally, the Village continued working with the Ridge Creek Centre LLC (a partnership of Structured Development and Mr. Ken Tucker) in our efforts to redevelop the former Yellow Freight property and surrounding contiguous properties. The Yellow Freight property, approximately 75 acres, combined with another 30 acres along the east side of Harlem Avenue, from Southwest Highway north to the 294 tollway overpass, has officially been designated as a mixed-use Tax Increment Financing District.

## **Factors affecting Financial Condition**

### **Local Economy**

The majority of the Village of Chicago Ridge's tax base is commercial which accounted for approximately 45.3% of its equalized assessed valuation for the 2013 tax levy year. Despite a slowing economy nationwide, the Village of Chicago Ridge nevertheless still provided a sizable source of employment opportunities to the local and regional economy. In 2014, the top three employers in the Village included Sears, Carson Pirie Scott and Kohls (information provided by the USA, Illinois Department of Employment Security).

The Village has made use of tax increment financing (TIF) as a development tool, and provides financial reports for the Ridgeland TIF District. Tax increment financing provides a means for municipalities, after approval of a "Redevelopment Plan" to redevelop blighted areas by pledging the anticipated increase in tax revenues resulting from using new tax revenues generated by private redevelopment to pay for the public costs incurred to stimulate such private investment in new development and rehabilitation. Tax increment financing is authorized in Illinois by the Tax Increment Redevelopment Act, as amended (the "Tax Increment Act").

The Village has created four tax increment finance districts:

1. Tri-State/Southwest Redevelopment Project Area, established in December 1986, formerly occupied by the North American Tank Car Company which has been converted into an industrial park with a small commercial center along the Southwest Highway frontage. This District closed in 2010, with a final distribution of property tax dollars to the thirteen taxing bodies covering the District.

2. Commons Shopping Center TIF, established in October 1985, for the construction of a full retail outlet strip mall containing over twenty stores, restaurant and a four screen cinema. The Commons Shopping Center TIF was closed in December 1996.
3. Ridgeland Redevelopment Project Area, established in July 2007, for the construction of 58 town homes on 6 acres of property bounded by Oxford Avenue and Birmingham Street, just east of Ridgeland Avenue.
4. Harlem Avenue Tax Increment Financing District, established in July 2014, for the development of 105 acres consisting of the 75 acre Yellow Freight property and another 30 acres along the east side of Harlem Avenue, from Southwest Highway north to the 294 tollway overpass. The TIF has been designated as mixed-use.

### **Long-Term Financial Planning**

Our Village is, along with the rest of the municipalities in America, struggling to stay at equilibrium. We endeavor to only tax as much as we need to cover the cost of necessary services, including police, fire and public works. Yet in spite of holding the line on spending in terms of our latest tax levy the necessary revenues are increasingly being diverted to the escalating cost of police and fire pensions. Despite more than quadrupling the levy amount for the Police Pension and more than doubling the Fire Pension in just eight years, we are told by the pension auditors/actuaries that the total levy for pensions must almost double again.

We have gone from a levy of \$347,000 to \$1,711,527 in the police pension levy amount, and from \$241,000 to \$637,662 in the fire pension levy amount. Combining the two, we have jumped from \$588,000 to approximately \$2.35 million dollars, an average of over 20% per year. In order to reach the goal of being 90% funded by the year 2040, without increases in employee contributions, the Village basically needs to start levying the plateau target figure of \$3 million per year, based on current assumptions, and get to that target as quickly as possible.

Considering our total tax levy just passed in December of 2014 was for \$4.9 million, with all other levy amounts staying the same as their 2013 level, the levy would need to increase to over \$5.55 million to reach the suggested pension funding level of \$3 million.

Looking back at the 2006 tax levy, the total amount of the levy – not including the pension amounts – has declined in the succeeding 8 years by \$456,310. Over the course of these years, the police and fire pension amounts combined have increased over \$2.35 million.

It is difficult to see the light at the end of the tunnel when these trend lines are what they are. Clearly, the Board of Trustees must wrestle with some weighty issues in determining where to cut spending in order to reach a reasonable tax levy and a balanced budget.

In any event, progress in meeting the Village's pension obligations will require a concerted team effort of the Village's Board of Trustees, the Police and Fire Pension Boards and the Police and Fire employees as represented by their union representatives.

A model of such a concerted effort can be seen in the successful actions taken by the Water Reclamation District of Greater Chicago. By working together with their employee union, the District Commissioners have devised a plan that has set their employee pension on a path to sustained viability into the future. It is suggested that a similar "partnership" approach, with give and take on both sides, is what will be required in order for Chicago Ridge, as well as other communities in similar positions, to forge a realistic plan for the long-term success of its retirement programs.

In any case, significant reductions in expenditures must be the priority as raising revenue through means other than the tax levy leaves limited options. Sales tax and home rule sales tax figures through June of 2015 are up almost \$100,000 compared to the first six months of 2013. The 2014 six-month total is still \$100,000 lower than the comparable period in 2007.

#### **Cash Management**

Cash reserves of the Village are invested in the Illinois Funds, an investment pool managed by the State of Illinois.

#### **Risk Management**

The Village is exposed to various risks of loss related to employee health benefits; worker's compensation claims; theft of, damage to, and destruction of assets; and natural disasters. The Village has purchased insurance from private insurance companies for general liability, worker's compensation and other overages not included below. Premiums have been recorded as expenditures in the appropriate funds. There have been no significant reductions in insurance coverage from coverage in prior years.

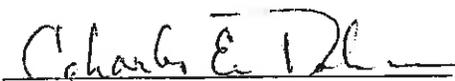
#### **Retirement Plans**

The Village sponsors three retirement plans for its employees, all of which are defined benefit pension plans. The Village contributes to the Illinois Municipal Retirement Fund (IMRF), which is an agent multiple employer public employee retirement system that acts as a common investment and administrative agent for the majority of local governments and school districts in Illinois, the Village of Chicago Ridge Police Pension Fund ("Police Pension"), a single employer plan, and the Village of Chicago Ridge Firefighters' Pension Fund ("Firefighters' Pension"), also a single employer plan.

#### **Acknowledgements**

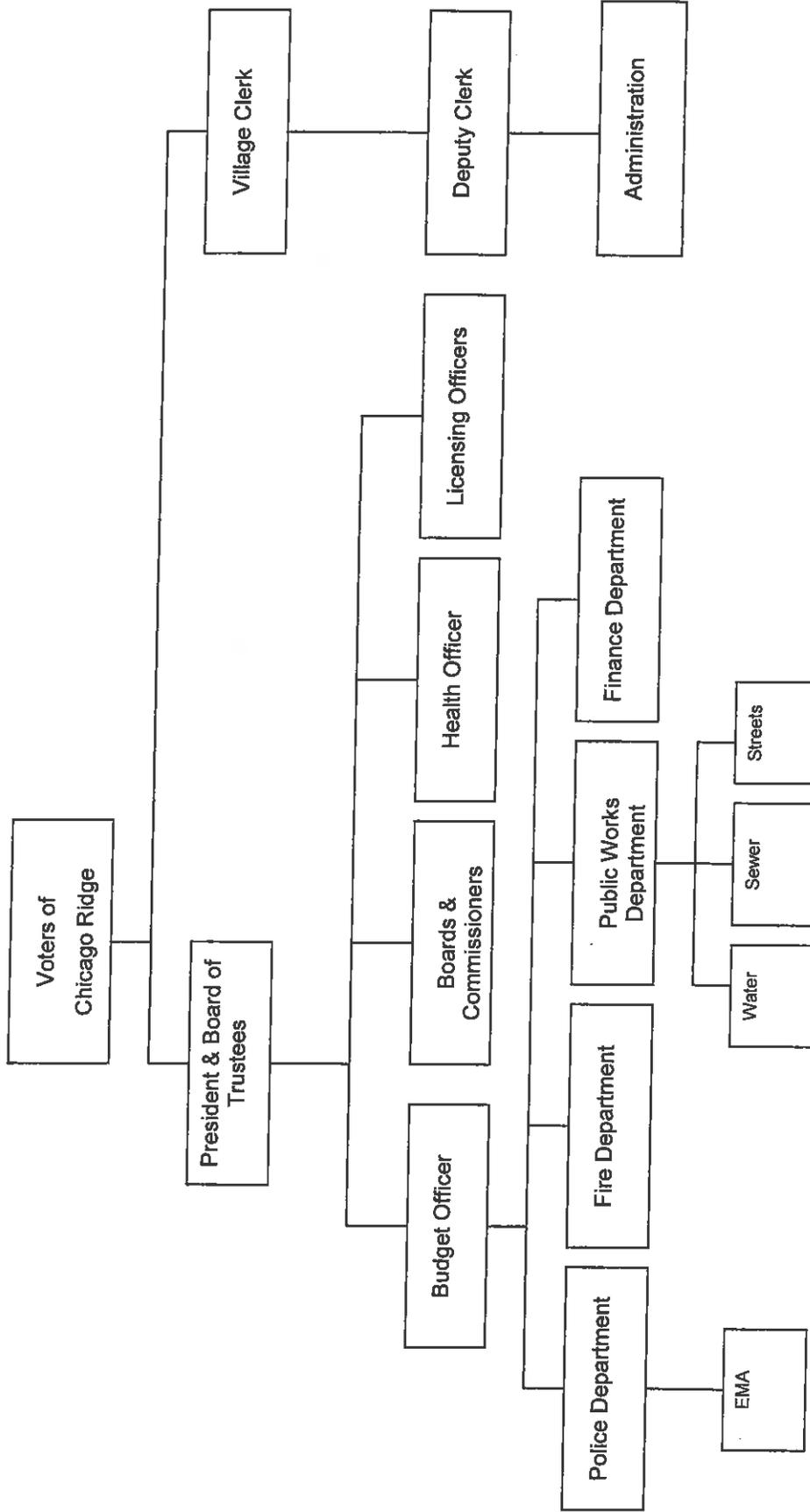
The preparation of this report is possible through the efforts of the Village staff and the commitment towards excellence in financial reporting by the Board of Trustees.

Respectfully submitted,



Charles Tokar  
Village President

# VILLAGE OF CHICAGO RIDGE ORGANIZATIONAL CHART



**VILLAGE OF CHICAGO RIDGE**  
**LIST OF ELECTED AND APPOINTED OFFICIALS**  
DECEMBER 31, 2014

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**ELECTED OFFICIALS**

President	Charles E. Tokar
Village Clerk / Collector	George M. Schleyer
Trustee	John Lind
Trustee	Daniel A. Badon
Trustee	Michael R. Davies
Trustee	Amanda Cardin
Trustee	Bruce D. Quintos
Trustee	Sally Durkin

**APPOINTED OFFICIALS**

Treasurer	Deborah M. Pyznarski
Attorney	George J. Witous
Engineer	Christopher B. Burke Engineering, Ltd.
Police Chief	Robert Pyznarski
Fire Chief	George Sheets
Public Works Superintendent	Doug Koehler
Deputy Clerk	Lori A. Hill



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## INDEPENDENT AUDITORS' REPORT

To the President and Board of Trustees  
Village of Chicago Ridge  
Chicago Ridge, Illinois

### **Report on the Financial Statements**

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 Chicago Ridge, Illinois, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Village of Chicago Ridge'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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the the Chicago Ridge Police and Firefighters' pension funds, which represent 98 percent, 99 percent and 87 percent, respectively, of the assets, net position/fund balance, and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Chicago Ridge Police and Firefighters' pension funds, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 of Chicago Ridge'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 of Chicago Ridge'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.

To the President and Board of Trustees  
Village of Chicago Ridge

### ***Opinions***

In our opinion, based on our audit and the report of other auditors, 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 Chicago Ridge, Illinois, as of December 31, 2014 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 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.

#### *Supplementary Information*

Our audit for the year ended December 31, 2014 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Chicago Ridge's basic financial statements. The financial information listed as supplementary information for the year ended December 31, 2014 as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2014, 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the financial information listed as supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2014.

To the President and Board of Trustees  
Village of Chicago Ridge

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village of Chicago Ridge as of and for the year ended December 31, 2013 (not presented herein), and have issued our report thereon dated August 25, 2014, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The financial information listed as supplementary information for the year ended December 31, 2013 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial information listed as supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2013.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Chicago Ridge's basic financial statements. The introductory section, statistical section and other information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has 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 it.

*Robert Felly Vachon-Kraun, CPA*

Oak Brook, Illinois  
August 25, 2015

## VILLAGE OF CHICAGO RIDGE

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2014

(Unaudited)

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The discussion and analysis of the Village of Chicago Ridge's (the "village") financial performance provides an overall review of the village's financial activities for the year ended December 31, 2014. The management of the village encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and the basic financial statements to enhance their understanding of the village's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

#### Financial Highlights

- > The assets of the village exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$29.7 million (net position). Of this amount, \$5.2 million is unrestricted and may be used to meet the government's ongoing obligation to citizens and creditors.
- > In total, net position increased by \$1.9 million. This increase is the largely the result of increased revenues over the prior year.
- > As of the close of the current fiscal year, the village's governmental funds reported combined ending fund balances of \$10.7 million, an increase of \$2.0 million in comparison with the prior year. Approximately \$10.3 million is available for spending at the government's discretion (assigned and unassigned fund balances).
- > At the end of the current fiscal year, unassigned fund balance for the General Fund was \$6.4 million, or 42% of the total General Fund expenditures.
- > The village's total long-term liabilities increased by \$0.1 million during the current year to \$12.4 million. The increase was the result of \$0.41 million increase in the Village's net pension obligation and other post employment benefits payable offset by \$0.39 million in bond payments.

#### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the village's basic financial statements. The basic financial statements are comprised of three components:

- > Government-wide financial statements,
- > Fund financial statements, and
- > Notes to basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

#### *Government-wide financial statements*

The government-wide financial statements are designed to provide readers with a broad overview of the village's finances, in a manner similar to a private-sector business, and are reported using the accrual basis of accounting and economic resources measurement focus.

## VILLAGE OF CHICAGO RIDGE

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2014

(Unaudited)

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

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

The government-wide financial statements can be divided into two types of activities: governmental and business-type. Governmental activities present the functions of the village that are principally supported by taxes and intergovernmental revenues. Business-type activities present the functions that are intended to recover all or a significant portion of their costs through user fees and charges. The village's governmental activities include functions like general government, public safety, public works and public welfare. The village's business-type activities include the water and sewer system.

#### *Fund financial statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the village can be divided into two categories: governmental 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 and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the village's general government operations and the basic services it provides. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources; as well as, on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a village's 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 this comparison between governmental funds and governmental activities.

## VILLAGE OF CHICAGO RIDGE

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2014

(Unaudited)

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The village maintains 3 major individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Bond and Interest, and Capital Improvement Funds, all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules elsewhere in this report. The village adopts an annual budget for each of the major funds listed above. A budgetary comparison statement has been provided for each major fund to demonstrate compliance with this budget.

#### Proprietary funds

Proprietary funds are used to report the same functions presented as business type activities in the government-wide financial statements. The village's proprietary funds present the activities and balances in the Water and Sewer Fund, which is considered to be a major fund, using the accrual basis of accounting and economic resources measurement focus. Proprietary funds provide the same type of information as the government-wide financial statements, but in greater detail. The proprietary funds reflect the private-sector type operation, where the fee for service typically covers all or most of the cost of operation and maintenance including depreciation.

#### Fiduciary funds

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

#### *Notes to basic financial statements*

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

#### *Other information*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the village's contributions and funding progress of the Illinois Municipal Retirement Fund, Police Pension Fund and Firefighters' Pension Fund; as well as, funding progress of the Retiree's Health Plan and budget to actual comparison of the General Fund. Supplementary schedules include combining and individual fund schedules of non-major funds and Fiduciary Funds.

## VILLAGE OF CHICAGO RIDGE

### MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2014 (Unaudited)

#### Government-Wide Financial Analysis

<b>Table 1 Condensed Statements of Net Position (in millions of dollars)</b>						
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>2014</u>	<u>2013</u>
	2014	2013	2014	2013	2014	2013
<b>Assets</b>						
Current and other assets	\$ 17.5	\$ 15.2	\$ 2.2	\$ 2.1	\$ 19.7	\$ 17.3
Capital assets	<u>22.4</u>	<u>22.6</u>	<u>6.1</u>	<u>6.1</u>	<u>28.5</u>	<u>28.7</u>
Total assets	<u>39.9</u>	<u>37.8</u>	<u>8.3</u>	<u>8.2</u>	<u>48.2</u>	<u>46.0</u>
<b>Liabilities</b>						
Long-term liabilities	12.2	12.1	0.2	0.2	12.4	12.3
Other liabilities	<u>0.8</u>	<u>0.7</u>	<u>0.2</u>	<u>0.2</u>	<u>1.0</u>	<u>0.9</u>
Total liabilities	<u>13.0</u>	<u>12.8</u>	<u>0.4</u>	<u>0.4</u>	<u>13.4</u>	<u>13.2</u>
<b>Deferred inflows of resources</b>	<u>5.1</u>	<u>5.0</u>	-	-	<u>5.1</u>	<u>5.0</u>
<b>Net position</b>						
Net investment in capital assets	18.1	18.0	6.1	6.1	24.2	24.1
Restricted	0.3	0.2	-	-	0.3	0.2
Unrestricted	<u>3.4</u>	<u>1.8</u>	<u>1.8</u>	<u>1.7</u>	<u>5.2</u>	<u>3.5</u>
Total net position	<u>\$ 21.8</u>	<u>\$ 20.0</u>	<u>\$ 7.9</u>	<u>\$ 7.8</u>	<u>\$ 29.7</u>	<u>\$ 27.8</u>

#### *Normal Impacts*

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net results of activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for capital – which will increase current assets and long-term debt.

Spending borrowed proceeds on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) increase capital assets and long-term debt, which will not change the net position net investment in capital assets.

Spending of non-borrowed current assets on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) will reduce unrestricted net position and increase net investment in capital assets.

Principal payment on debt – which will: (a) reduce current assets and reduce long-term debt; and, (b) reduce unrestricted net position and increase net position net investment in capital assets.

Reduction of capital assets through depreciation – which will reduce capital assets and net position net investment in capital assets.

## VILLAGE OF CHICAGO RIDGE

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2014

(Unaudited)

#### *Current Year Impacts*

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the village's, total net position increased by \$1.9 million from \$27.8 million to \$29.7 million. The village's total assets equal \$48.2 million. The village's total liabilities and deferred inflows of resources equal \$18.5 million.

A portion of the net position of the governmental activities is restricted for street maintenance, road improvements, and special assessments. The unrestricted combined balance, for both governmental and business-type activities, of \$5.2 million may be used to meet the ongoing village obligations to their citizens and creditors. All net position categories show positive balances at year end.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2014	2013	2014	2013	2014	2013
<b>Revenues</b>						
<i>Program revenues</i>						
Charges for services	\$ 2.6	\$ 2.0	\$ 3.1	\$ 2.9	\$ 5.7	\$ 4.9
Operating grants and contributions	0.8	0.5	-	-	0.8	0.5
Capital grants and contributions	0.1	0.4	-	-	0.1	0.4
<i>General revenues</i>						
Property taxes	4.9	4.6	-	-	4.9	4.6
Other taxes	7.4	6.6	-	-	7.4	6.6
Intergovernmental	1.7	1.7	-	-	1.7	1.7
Other general revenues	0.8	0.7	-	-	0.8	0.7
<b>Total revenues</b>	<b>18.3</b>	<b>16.5</b>	<b>3.1</b>	<b>2.9</b>	<b>21.4</b>	<b>19.4</b>
<b>Expenses</b>						
General government	3.9	3.8	-	-	3.9	3.8
Police	6.9	6.5	-	-	6.9	6.5
Fire	3.8	3.6	-	-	3.8	3.6
EMA	0.1	0.1	-	-	0.1	0.1
Street	0.7	0.7	-	-	0.7	0.7
Refuse	0.5	0.4	-	-	0.5	0.4
TIF area development	0.3	0.1	-	-	0.3	0.1
Interest and fees	0.2	0.2	-	-	0.2	0.2
Unallocated depreciation	0.1	0.1	0.1	0.1	0.2	0.2
Water and sewer	-	-	2.9	2.4	2.9	2.4
<b>Total expenses</b>	<b>16.5</b>	<b>15.5</b>	<b>3.0</b>	<b>2.5</b>	<b>19.5</b>	<b>18.0</b>
Change in net position before transfers	1.8	1.0	0.1	0.4	1.9	1.4
Transfers	-	(0.3)	-	0.3	-	-
Change in net position	1.8	0.7	0.1	0.7	1.9	1.4
Net position, beginning of year	20.0	19.3	7.8	7.1	27.8	26.4
<b>Net position end of year</b>	<b>\$ 21.8</b>	<b>\$ 20.0</b>	<b>\$ 7.9</b>	<b>\$ 7.8</b>	<b>\$ 29.7</b>	<b>\$ 27.8</b>

## VILLAGE OF CHICAGO RIDGE

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2014

(Unaudited)

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#### *Normal Impacts*

There are eight basic (normal) impacts that will affect the comparability of the revenues and expenses on the Statement of Activities summary presentation.

#### Revenues

Economic condition – which can reflect a declining, stable or growing economic environment, and has substantial impact on state sales, replacement and hotel/motel tax revenue; as well as, public spending habits for building permits, elective user fees, and volumes of consumption.

Increase/decrease in village approved rates – while certain tax rates are set by statute, the village has significant authority to impose and periodically increase/decrease rates (water, home rule sales tax, etc.).

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring grants are less predictable and often distorting in their impact on year to year comparisons.

Market impacts on investment income – the village's investments may be affected by market conditions causing investment income to increase/decrease.

#### Expenses

Introduction of new programs – within the functional expense categories (general government, public safety, public works, and community development), individual programs may be added or deleted to meet changing community needs.

Change in authorized personnel – changes in service demand may cause the village to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent the largest operating cost of the village.

Salary increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

Inflation - primarily because of the downturn in the economy, inflation has not been as much of a budgetary concern as it has been in previous years. The Village is a major consumer of certain commodities such as supplies, fuel and parts. Some functions may experience unusual commodity specific fluctuations.

#### *Current Year Impacts*

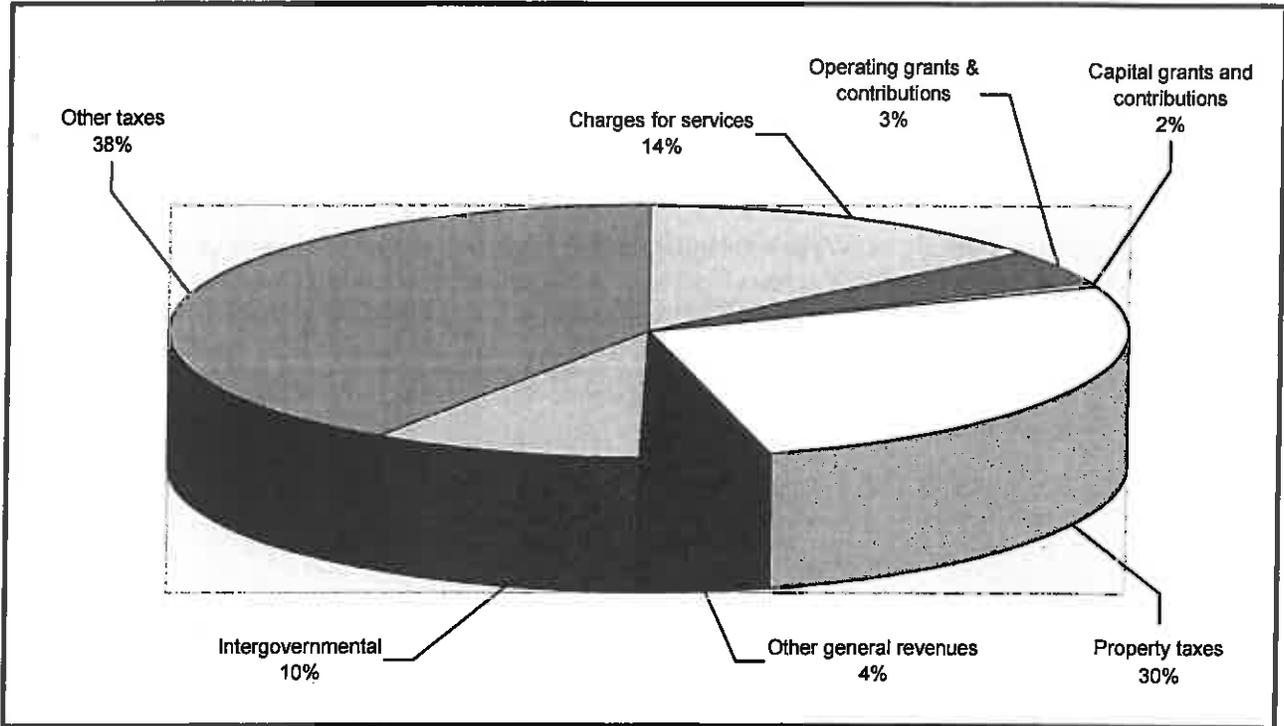
The increase in revenue for the village is due to increased revenue for sales tax, video gaming tax and food and beverage tax. Expenses increased from 2013 as a result of an increase in pension expense and TIF development.

# VILLAGE OF CHICAGO RIDGE

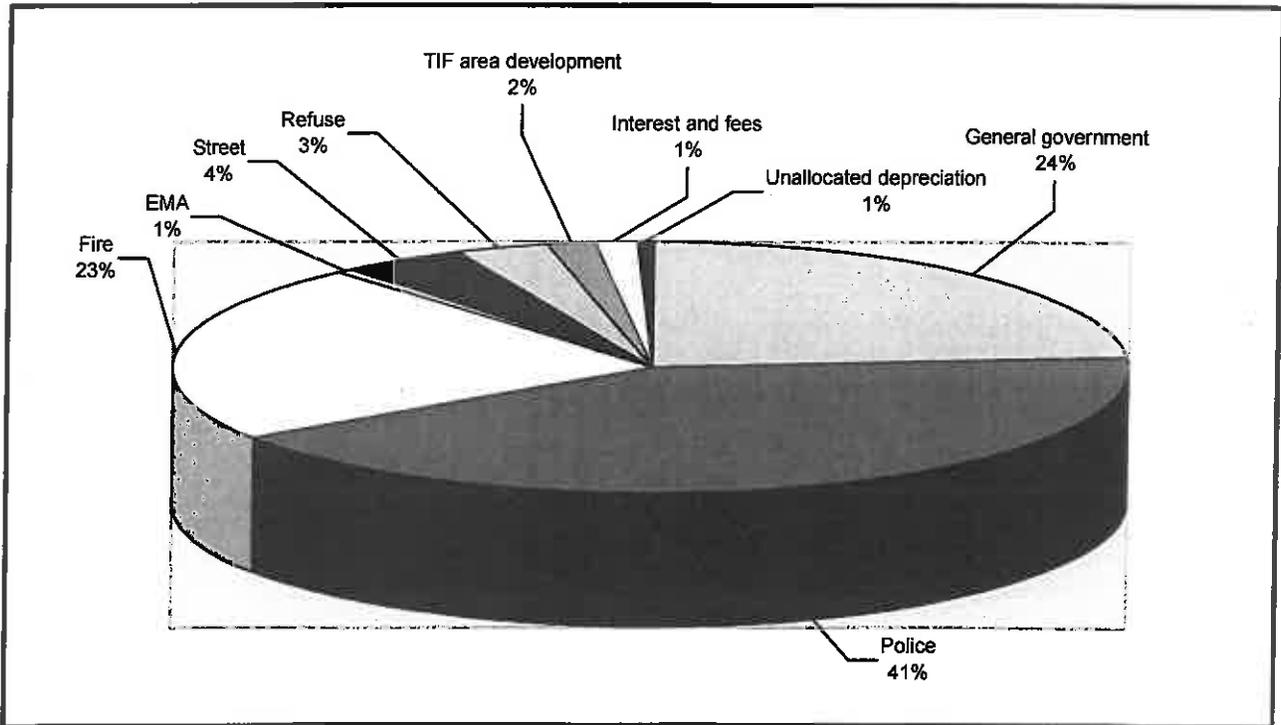
## MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2014 (Unaudited)

### Governmental Activities

#### Governmental Revenues by Source



#### Governmental Expenses by Function



# VILLAGE OF CHICAGO RIDGE

## MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2014 (Unaudited)

### *Business-Type Activities*

The Business Type activity of the village includes the water and sewer departments. The departments serve the village's residents and businesses. Pricing of water is based on fee determined by the supplier of water, the City of Chicago. Sales of water (revenues) can be affected by climate, at times, with warmer and drier summers bringing higher demand. The operating revenues of the department was approximately \$3.1 million. The increase of \$0.2 million is a result of increasing the water rates from the prior year to compensate for the increase in the cost of water.

### **Financial Analysis of the Village's Funds**

The Village of Chicago Ridge uses fund accounting to ensure and demonstrate compliance with finance legal requirements.

**Governmental Funds:** The focus of the Village of Chicago Ridge's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Village of Chicago Ridge's financial requirements.

The Village of Chicago Ridge's major funds include; the General, Bond and Interest, and Capital Improvements Funds.

At the end of the current fiscal year, the Village of Chicago Ridge's governmental funds reported a combined (major and non-major) ending fund balance of \$10.7 million, an increase of \$2.0 million over fiscal year 2013.

### **General Fund Budgetary Highlights**

General Fund revenues exceeded the amount budgeted by \$1.8 million and expenditures were over budget by \$0.5 million.

### **Capital Assets and Debt Administration**

#### *Capital assets*

By the end of 2014, the village had compiled a total investment of \$46.7 million (\$28.5 million net of accumulated depreciation) in a broad range of capital assets including police and fire equipment, buildings, village facilities, water facilities, roads, streets, and sewer lines. Total depreciation expense for the year was \$0.9 million. More detailed information about capital assets can be found in Note III. C. of the basic financial statements.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2014	2013	2014	2013	2014	2013
Land	\$ 1.1	\$ 1.1	\$ -	\$ -	\$ 1.1	\$ 1.1
Buildings	12.2	12.5	0.1	0.2	12.3	12.7
Improvements other than buildings	0.2	0.3	-	-	0.2	0.3
Equipment	1.7	1.7	0.4	0.5	2.1	2.2
Infrastructure	7.2	7.0	5.6	5.4	12.8	12.4
<b>Total</b>	<b>\$ 22.4</b>	<b>\$ 22.6</b>	<b>\$ 6.1</b>	<b>\$ 6.1</b>	<b>\$ 28.5</b>	<b>\$ 28.7</b>

## VILLAGE OF CHICAGO RIDGE

### MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2014 (Unaudited)

#### *Debt Administration*

The debt administration discussion covers two types of debt reported by the village's financial statements. The village's governmental activities consist of general obligation debt and tax increment financing bonds. As of December 31, 2014, the village's governmental activities general obligation debt was \$4.2 million. The village began the year with \$4.6 million in general obligation debt and paid \$0.4 million in principal to result in \$4.2 million in general obligation debt as of December 31, 2014. As of December 31, 2014, the village's tax increment financing bond debt was \$2.67 million, which approximated 2013. The other long-term debt consists of the Village's liability for the net pension obligation and other post employment benefits payable. More detailed information about debt administration can be found in Note III. E. of the basic financial statements.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 4.3	\$ 4.6	\$ -	\$ -	\$ 4.3	\$ 4.6
Tax increment financing bonds	2.7	2.7	-	-	2.7	2.7
Other	5.2	4.8	0.2	0.2	5.4	5.0
<b>Total</b>	<b>\$ 12.2</b>	<b>\$ 12.1</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>	<b>\$ 12.4</b>	<b>\$ 12.3</b>

#### **Factors Bearing on the Village's Future**

Since last year, the national unemployment rate has gone down from approximately 7.4 percent to 5.5 percent, although Illinois remains at about 6 percent as of March, 2015. Retail sales have also improved, with consumers boosting sales 7.1 percent from a year earlier.

Over the course of the last year, the stock market has also seen steady improvement, with each of the major indices reaching progressively new highs. The sustained bull market noted in last year's report has continued. In addition, home sales and new home building are picking up a little steam. There have even been reports referencing an increase in some areas of manufacturing, which is somewhat surprising in this day when everything seems to be made "not" in America.

As can be seen in the business sections of most news media, the stock market has also seen steady improvement, with each of the major indices reaching progressively new recent highs, and some record levels. The bull market is continuing, and in addition, home sales and new home building are picking up steam. Housing starts have surged to the best in over 7 years, and mortgage applications to buy homes are up sharply. Consumers even bought cars in May at the fastest rate since 2005. Nationally, employers are ramping up hiring, and wage rates rose at the fastest pace in two years in May, even as the labor market added nearly 400,000 people.

These statistics seem to give hope to the positive trend for the overall American economy.

## VILLAGE OF CHICAGO RIDGE

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2014

(Unaudited)

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As regards the trends within our own Village, the number of new foreclosures since 2011, when we had 146 new foreclosures, continues to drop. While the first six months of 2014 saw nine new foreclosures, the second half of the year added only another four. In the first six months of 2015, there have been only six.

Thirty-two new businesses were granted licenses to operate in our community, both within our Chicago Ridge Mall and on our main arterial streets, during the first half of 2015; that compares very favorably with the first six months of 2014, when only fifteen new businesses opened. The AMC theatre located in the Chicago Ridge Mall, which completed their extensive remodeling project, has seen a large increase in ticket sales during 2014. Mall management also reports that retail sales at major anchors Kohl's and Carson Pirie Scott have been strong during 2014, especially during the last critical holiday season.

The Chicago Ridge Mall itself has continued to upgrade and add new signage, along with refreshed landscaping, with additional security vehicles patrolling the parking areas. Most importantly the Mall has implemented a new policy for visitors under age 18, which is meant to curb large groups of young teenagers gathering to socialize rather than shop. This policy has been very successful, and has been introduced in most other shopping centers around the suburban Chicago area. Mall management and the Village have received numerous positive comments on the policy from both resident and non-resident shoppers.

The new second floor addition to the Mall's center atrium begun in 2014 is nearing completion, and should add approximately 20,000 square feet of new retail space.

H & M, one of the fastest growing young adult retailers in the country, will occupy a large portion of that space and is expected to open in mid-2015.

Moving on to the Village's revenue stream, for the first six months of 2015, sales tax and home rule sales tax receipts together are up almost \$100,000 from the first half of 2014. The food and beverage tax has been projected to bring in approximately \$350,000 in fiscal 2014 and \$375,000 in 2015. And it should be noted that, with twenty of the Village's liquor establishments holding video gaming licenses, it is anticipated that approximately \$190,000 should be added to revenues in 2015, up from \$120,000 in 2014.

Giving some extra cause for that hope is the Village's plan for redeveloping the commercial and industrial properties on the east side of Harlem Avenue north and south of 103rd Street. Much activity has taken place over the last year, with regular discussions currently leading to the launching of a highly anticipated Tax Increment Financing District.

The current property tax levy is set at \$4.9 million, of which \$2.35 million is going to cover the required police and fire pension amount. That is close to 48 percent of the total property tax received by the Village, which has a significant impact on the Village's ability to fund its necessary general service expenditures. Additionally, the Village's overall equalized assessed valuation has continued its downward trek, going from \$292 million to an estimated \$277 million in the 2014 agency tax rate report. As noted last year, the number of commercial and industrial property owners seeking and receiving reductions in their property valuations increases yearly, and the Village continues to contest the largest requested reductions. With the construction improvements noted above, it is hoped that this decline will reverse course in the coming years.

## VILLAGE OF CHICAGO RIDGE

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2014

(Unaudited)

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Regarding the Village's plan for redeveloping the commercial and industrial properties on the east side of Harlem Avenue north and south of 103<sup>rd</sup> Street, the Village has received the unanimous support of the affected taxing bodies to establish a Tax Increment Financing District, comprising a total of 105 acres. This will be the Village's fourth TIF District, with bonds being paid off early for the first two TIFs.

A contract for the purchase of the Yellow Freight property, comprising +/- 75 acres was entered into by the Village and assigned over to Ridge Creek LLC (a partnership of Structured Development and Ken Tucker) to pursue potential tenants for the property. A development agreement was also entered into with Ridge Creek LLC.

The Village has passed the necessary amendments to the Village's Comprehensive Plan, proposed by planning consultant Camiros, and the Village's Planning and Zoning Board has approved a Mixed Use amendment to the Zoning Code. All of this has been done per the recommendations contained in the Cook County Harlem Avenue Corridor Plan, which was finalized in December of 2011.

A Public Hearing held by the Planning and Zoning Board for applying the new mixed use zoning classification to the new Harlem Avenue TIF District has been convened and has been continued during the period of due diligence afforded to the Ridge Creek LLC. As noted in the previous report, the proposed redevelopment of this entire 105 acre site would obviously have a very significant positive long-term impact on the Village's financial future.

The Village has also negotiated a new four-year collective bargaining agreement with our firefighters that eliminated the pension spike language contained in the previous contract. Additionally, a side letter of understanding has allowed the Village to hire part-time firefighter paramedics to supplement our current full-time fire department employees, which should assist in limiting increases in dollars required in the fire pension portion of the Village's tax levy.

Finally, it should be noted that the Village has been successful at the Illinois Appellate Court level in litigation challenging the pensions of former police department retirees who received inflated pensions. And in the Circuit Court of Cook County, the Village has also succeeded in challenging a twenty percent pension spike awarded to a former fire department employee.

Overall, it is felt that the many factors outlined in the above report bode well for the Village's continued success.

#### **Requests for Information**

This financial report is designed to provide the village's citizens, taxpayers, and creditors with a general overview of the village's finances and to demonstrate the village's accountability for the money it receives. If you have questions about this report, need additional financial information, or would like a copy of the financial statements for the Police or Firefighters' pension funds, or need additional information, contact the Mayor's Office:

Charles E. Tokar  
Village of Chicago Ridge  
10455 S. Ridgeland Avenue  
Chicago Ridge, Illinois 60415

## VILLAGE OF CHICAGO RIDGE

### STATEMENT OF NET POSITION As of December 31, 2014

	Governmental Activities	Business-type Activities	Totals
<b>ASSETS</b>			
Cash	\$ 1,506,129	\$ 1,611,290	\$ 3,117,419
Investments	7,841,857	2,954	7,844,811
Receivables (net)			
Property taxes	5,148,289	-	5,148,289
Sales taxes	1,912,739	-	1,912,739
Telecommunication taxes	85,297	-	85,297
State income taxes	363,817	-	363,817
Other taxes	18,759	-	18,759
Other intergovernmental	36,023	-	36,023
Accounts	59,629	542,417	602,046
Other	247,433	-	247,433
Due from other governmental units	14,218	-	14,218
Internal balances	(9,606)	9,606	-
Prepaid items	54,601	-	54,601
Restricted assets	4	-	4
Assets held for resale	243,850	-	243,850
Capital Assets			
Land	1,058,336	-	1,058,336
Other capital assets, net of depreciation	21,327,791	6,148,473	27,476,264
Total Assets	<u>39,909,166</u>	<u>8,314,740</u>	<u>48,223,906</u>
<b>LIABILITIES</b>			
Accounts payable	373,393	174,155	547,548
Accrued salaries	365,066	28,245	393,311
Payroll liabilities	-	977	977
Accrued interest payable	59,382	-	59,382
Due to fiduciary funds	51,093	-	51,093
Noncurrent Liabilities			
Due within one year	721,812	-	721,812
Due in more than one year	11,430,770	193,056	11,623,826
Total Liabilities	<u>13,001,516</u>	<u>396,433</u>	<u>13,397,949</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes levied for a future period	5,148,289	-	5,148,289
Total Deferred Inflows of Resources	<u>5,148,289</u>	<u>-</u>	<u>5,148,289</u>
<b>NET POSITION</b>			
Net investment in capital assets	18,136,127	6,148,473	24,284,600
Restricted for			
Streets and highways	224,777	-	224,777
Economic development	45,493	-	45,493
Special assessments	2,073	-	2,073
Unrestricted	<u>3,350,891</u>	<u>1,769,834</u>	<u>5,120,725</u>
<b>TOTAL NET POSITION</b>	<u>\$ 21,759,361</u>	<u>\$ 7,918,307</u>	<u>\$ 29,677,668</u>

See accompanying notes to financial statements.

## VILLAGE OF CHICAGO RIDGE

### STATEMENT OF ACTIVITIES For the Year Ended December 31, 2014

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
<b>Governmental Activities</b>			
Village board/administration	\$ 1,799,211	\$ 123,048	\$ -
Village hall	805,997	578,373	-
Buildings and grounds	5,061	-	-
Health department	54,241	-	-
Licensing/building department	149,334	267,873	-
Planning and zoning department	16,279	-	-
Police and fire commission	24,601	-	-
Professional services department	696,497	-	-
Special events department	436,143	299,205	-
Police department	6,871,560	599,256	-
Fire department	3,760,936	505,706	-
EMA department	77,485	-	-
Street department	721,302	-	766,607
Refuse department	455,409	216,646	-
TIF area development	258,256	-	-
Interest and fiscal charges	230,805	-	-
Unallocated depreciation (excludes direct depreciation expense)	133,978	-	-
Total Governmental Activities	<u>16,497,095</u>	<u>2,590,107</u>	<u>766,607</u>
<b>Business-type Activities</b>			
Water	2,540,412	2,729,768	-
Sewer	298,038	386,742	-
Unallocated depreciation (excludes direct depreciation expense)	120,558	-	-
Total Business-type Activities	<u>2,959,008</u>	<u>3,116,510</u>	<u>-</u>
Total	<u>\$ 19,456,103</u>	<u>\$ 5,706,617</u>	<u>\$ 766,607</u>

**General Revenues**

- Property taxes
- Sales taxes
- Telecommunications taxes
- Food & beverage taxes
- Other taxes
- Intergovernmental
  - Personal property replacement taxes
  - State income tax
- Interest income
- Miscellaneous

**Total General Revenues**

**Change in net position**

NET POSITION - Beginning of Year

**NET POSITION - END OF YEAR**

See accompanying notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (1,676,163)	\$ -	\$ (1,676,163)
(227,624)	-	(227,624)
(5,061)	-	(5,061)
(54,241)	-	(54,241)
118,539	-	118,539
(16,279)	-	(16,279)
(24,601)	-	(24,601)
(696,497)	-	(696,497)
(136,938)	-	(136,938)
(6,272,304)	-	(6,272,304)
(3,255,230)	-	(3,255,230)
(77,485)	-	(77,485)
136,645	-	136,645
(238,763)	-	(238,763)
(258,256)	-	(258,256)
(230,805)	-	(230,805)
<u>(133,978)</u>	<u>-</u>	<u>(133,978)</u>
<u>(13,049,041)</u>	<u>-</u>	<u>(13,049,041)</u>
-	189,356	189,356
-	88,704	88,704
-	<u>(120,558)</u>	<u>(120,558)</u>
-	<u>157,502</u>	<u>157,502</u>
<u>(13,049,041)</u>	<u>157,502</u>	<u>(12,891,539)</u>
4,864,131	-	4,864,131
6,427,064	-	6,427,064
343,243	-	343,243
435,333	-	435,333
204,903	-	204,903
70,784	-	70,784
1,634,184	-	1,634,184
1,403	1,715	3,118
<u>794,623</u>	<u>-</u>	<u>794,623</u>
<u>14,775,668</u>	<u>1,715</u>	<u>14,777,383</u>
1,726,627	159,217	1,885,844
<u>20,032,734</u>	<u>7,759,090</u>	<u>27,791,824</u>
<u>\$ 21,759,361</u>	<u>\$ 7,918,307</u>	<u>\$ 29,677,668</u>

See accompanying notes to financial statements.

**VILLAGE OF CHICAGO RIDGE**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
As of December 31, 2014**

	<u>General</u>	<u>Bond and Interest</u>	<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>
<b>ASSETS</b>				
Cash	\$ 1,349,054	\$ -	\$ -	\$ 152,458
Investments	4,332,164	-	3,325,556	188,754
Receivables				
Property taxes	5,069,052	-	-	79,237
Sales taxes	1,912,739	-	-	-
Telecommunication taxes	85,297	-	-	-
Amusement	18,759	-	-	-
State income taxes	363,817	-	-	-
Other intergovernmental	2,433	-	-	36,023
Accounts	59,629	-	245,000	-
Due from other governments	14,218	-	-	-
Due from other funds	18,877	56,694	181,181	-
Prepaid items	-	-	54,601	-
Restricted cash	4	-	-	-
Assets held for resale	-	-	243,850	-
<b>TOTAL ASSETS</b>	<b><u>\$ 13,226,043</u></b>	<b><u>\$ 56,694</u></b>	<b><u>\$ 4,050,188</u></b>	<b><u>\$ 456,472</u></b>

See accompanying notes to financial statements.

---

<u>Totals</u>	
\$	1,501,512
	7,846,474
	5,148,289
	1,912,739
	85,297
	18,759
	363,817
	38,456
	304,629
	14,218
	256,752
	54,601
	4
	<u>243,850</u>
<u>\$</u>	<u>17,789,397</u>

See accompanying notes to financial statements.

## VILLAGE OF CHICAGO RIDGE

### BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2014

	General	Bond and Interest	Capital Improvements	Nonmajor Governmental Funds
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 350,765	\$ -	\$ -	\$ 22,628
Accrued salaries	365,066	-	-	-
Due to other funds	165,213	-	-	101,145
Due to fiduciary funds	-	51,093	-	-
Total Liabilities	881,044	51,093	-	123,773
<b>Deferred Inflows of Resources</b>				
Property taxes levied for a future period	5,069,052	-	-	79,237
Unavailable other taxes	911,816	-	-	-
Total Deferred Inflows of Resources	5,980,868	-	-	79,237
<b>Fund Balances</b>				
Nonspendable	-	-	54,601	-
Restricted	4	-	-	272,339
Assigned	-	5,601	3,995,587	-
Unassigned	6,364,127	-	-	(18,877)
Total Fund Balances	6,364,131	5,601	4,050,188	253,462
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 13,226,043</b>	<b>\$ 56,694</b>	<b>\$ 4,050,188</b>	<b>\$ 456,472</b>

---

Totals

\$ 373,393  
365,066  
266,358  
51,093  
1,055,910

5,148,289  
911,816  
6,060,105

54,601  
272,343  
4,001,188  
6,345,250  
10,673,382

\$ 17,789,397

See accompanying notes to financial statements.

## VILLAGE OF CHICAGO RIDGE

### RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of December 31, 2014

---

Total Fund Balances - Governmental Funds	\$ 10,673,382
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. See Note III C.	22,386,127
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	911,816
Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.	
Bonds and notes payable	(6,920,000)
Compensated absences	(316,812)
Accrued interest	(59,382)
Net Pension Obligation	(2,632,006)
Other post employment benefits payable	<u>(2,283,764)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 21,759,361</u></b>

## VILLAGE OF CHICAGO RIDGE

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended December 31, 2014

	General	Bond and Interest	Capital Improvements	Nonmajor Governmental Funds
<b>REVENUES</b>				
Property taxes	\$ 4,784,894	\$ -	\$ -	\$ 79,237
Other taxes	7,409,151	-	-	-
Intergovernmental	1,791,542	-	289,533	477,074
Licenses and permits	1,460,282	-	200,486	-
Fines, forfeitures and penalties	599,256	-	-	-
Fest income	231,120	-	-	-
Investment income	870	31	431	71
Miscellaneous	870,343	-	23,243	-
<b>Total Revenues</b>	<b>17,147,458</b>	<b>31</b>	<b>513,693</b>	<b>556,382</b>
<b>EXPENDITURES</b>				
Current				
Village board/administration	1,741,654	-	-	-
Village hall	644,606	-	-	-
Health department	54,010	-	-	-
Licensing/buildings department	143,615	-	-	-
Planning and zoning department	16,059	-	-	-
Police and fire commission	24,601	-	-	-
Professional services department	696,497	-	-	-
Special events department	436,143	-	-	-
Police department	6,370,865	-	-	-
Fire department	3,375,060	-	-	-
EMA department	80,120	-	-	-
Street department	636,812	-	-	42,359
Refuse department	455,409	-	-	-
TIF area development	223,856	-	-	34,400
Capital Outlay	415,592	-	447,498	-
Debt Service				
Principal	-	390,000	-	-
Interest and fees	-	186,863	-	50,082
<b>Total Expenditures</b>	<b>15,314,899</b>	<b>576,863</b>	<b>447,498</b>	<b>126,841</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>1,832,559</b>	<b>(576,832)</b>	<b>66,195</b>	<b>429,541</b>

See accompanying notes to financial statements.

---

Totals

\$ 4,864,131  
7,409,151  
2,558,149  
1,660,768  
599,256  
231,120  
1,403  
893,586  
18,217,564

1,741,654  
644,606  
54,010  
143,615  
16,059  
24,601  
696,497  
436,143  
6,370,865  
3,375,060  
80,120  
679,171  
455,409  
258,256  
863,090  
  
390,000  
236,945  
16,466,101  
  
1,751,463

See accompanying notes to financial statements.

**VILLAGE OF CHICAGO RIDGE**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2014**

	<u>General</u>	<u>Bond and Interest</u>	<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 350,000	\$ 575,278	\$ 408,053	\$ -
Sales of fixed assets	-	-	245,000	-
Transfers out	<u>(983,331)</u>	<u>-</u>	<u>-</u>	<u>(350,000)</u>
Total Other Financing Sources (Uses)	<u>(633,331)</u>	<u>575,278</u>	<u>653,053</u>	<u>(350,000)</u>
<b>Net Change in Fund Balances</b>	1,199,228	(1,554)	719,248	79,541
FUND BALANCES - Beginning of Year	<u>5,164,903</u>	<u>7,155</u>	<u>3,330,940</u>	<u>173,921</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 6,364,131</u>	<u>\$ 5,601</u>	<u>\$ 4,050,188</u>	<u>\$ 253,462</u>

See accompanying notes to financial statements.

---

<u>Totals</u>	
\$	1,333,331
	245,000
	<u>(1,333,331)</u>
	245,000
	1,996,463
	<u>8,676,919</u>
\$	<u>10,673,382</u>

See accompanying notes to financial statements.

## VILLAGE OF CHICAGO RIDGE

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2014

---

Net change in fund balances - total governmental funds	\$ 1,996,463
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 net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities. This is the amount by which capital outlay exceeds depreciation in the current period.	127,440
The net effect of various miscellaneous transactions involving capital assets (sale, disposal, transfer, etc.) is to decrease net position.	(387,995)
Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	6,158
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	390,000
Some expenses 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.	
Interest payable	6,140
Net pension obligation	(98,996)
Other post employment benefits payable	(286,217)
Compensated absences	(26,366)
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 1,726,627</u></b>

See accompanying notes to financial statements.

**VILLAGE OF CHICAGO RIDGE**

STATEMENT OF NET POSITION  
 PROPRIETARY FUND  
 As of December 31, 2014

	<u>Business-type Activities - Enterprise Fund</u>
<b>ASSETS</b>	
Current Assets	
Cash	\$ 1,611,290
Investments	2,954
Receivables (net)	
Accounts	542,417
Due from other funds	9,606
Total Current Assets	<u>2,166,267</u>
Noncurrent Assets	
Capital assets (net of accumulated depreciation)	
Depreciable buildings, property and equipment	<u>6,148,473</u>
Total Noncurrent Assets	<u>6,148,473</u>
Total Assets	<u>8,314,740</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable	174,155
Accrued salaries	28,245
Payroll liabilities	977
Total Current Liabilities	<u>203,377</u>
Noncurrent Liabilities	
Long-Term Debt	
Other post employment benefits payable	127,537
Net Pension Obligation	65,519
Total Noncurrent Liabilities	<u>193,056</u>
Total Liabilities	<u>396,433</u>
<b>NET POSITION</b>	
Net investment in capital assets	6,148,473
Unrestricted	<u>1,769,834</u>
<b>TOTAL NET POSITION</b>	<u><b>\$ 7,918,307</b></u>

See accompanying notes to financial statements.

## VILLAGE OF CHICAGO RIDGE

### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUND

For the Year Ended December 31, 2014

	<u>Business-type Activities - Enterprise Fund</u>
<b>OPERATING REVENUES</b>	
Water sales	\$ 2,729,768
Sewer charges	<u>386,742</u>
Total Operating Revenues	<u>3,116,510</u>
<b>OPERATING EXPENSES</b>	
Water	
Personnel services	412,329
Contractual services	1,782,740
Supplies	98,538
Utilities	58,842
Miscellaneous	4,964
Sewer	
Personnel services	192,794
Supplies	9,545
Miscellaneous	4,436
Contractual services	6,497
Insurance	189,782
Depreciation expense	<u>198,541</u>
Total Operating Expenses	<u>2,959,008</u>
Operating Income	<u>157,502</u>
<b>NONOPERATING REVENUES</b>	
Investment income	<u>1,715</u>
Total Nonoperating Revenues	<u>1,715</u>
<b>Change in Net Position</b>	159,217
NET POSITION - Beginning of Year	<u>7,759,090</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 7,918,307</u>

See accompanying notes to financial statements.

**VILLAGE OF CHICAGO RIDGE**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
For the Year Ended December 31, 2014**

---

	<u>Business-type Activities - Enterprise Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 3,105,195
Cash payments to suppliers for services	(2,115,009)
Cash payment to employees for services	<u>(595,926)</u>
Net Cash Flows From Operating Activities	<u>394,260</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest on investments	<u>1,715</u>
Net Cash Flows From Investing Activities	<u>1,715</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Operating transfers - Out to Other Funds	<u>147,752</u>
Net Cash Flows From Noncapital Financing Activities	<u>147,752</u>
<b>CASH FLOWS (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchase of capital assets	<u>(260,533)</u>
Net Cash Flows used for Capital and Related Financing Activities	<u>(260,533)</u>
<b>Net Change in Cash and Cash Equivalents</b>	283,194
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,331,050</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,614,244</u>

See accompanying notes to financial statements.

**VILLAGE OF CHICAGO RIDGE**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
For the Year Ended December 31, 2014**

	<u>Business-type Activities - Enterprise Funds</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating income	\$ 157,502
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities	
Depreciation	198,541
Changes in assets and liabilities	
(Increase) decrease in accounts receivable	(11,315)
(Increase) decrease in prepaid items	8,309
Increase (decrease) in accounts payable	32,026
Increase (decrease) in other post employment benefits payable	(3,076)
Increase (decrease) in net pension obligation	12,723
Increase (decrease) in accrued salaries	<u>(450)</u>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b><u>\$ 394,260</u></b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS</b>	
Cash	\$ 1,611,290
Investments	<u>2,954</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ 1,614,244</u></b>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
None	

See accompanying notes to financial statements.

**VILLAGE OF CHICAGO RIDGE**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
As of December 31, 2014

	Pension Trusts	Agency Fund
<b>ASSETS</b>		
Cash	\$ 70,619	\$ 14,320
Investments		
Certificates of deposit	608,520	-
Money markets	2,532,684	4,392
U.S. government and agency obligations	4,889,896	-
Mutual funds	12,313,561	-
Corporate bonds	3,473,038	-
Equity securities	762,910	-
Insurance company contracts	2,216,226	-
Receivables		
Accrued interest	43,673	-
Due from primary government	-	51,093
Other assets	1,889	13,901
Total Assets	26,913,016	83,706
<b>LIABILITIES</b>		
Accounts payable	58,897	-
Deposits payable	-	83,706
Total Liabilities	58,897	83,706
<b>NET POSITION</b>		
Held in trust for pension benefits	26,854,119	-
<b>TOTAL NET POSITION</b>	<b>\$ 26,854,119</b>	<b>\$ -</b>

See accompanying notes to financial statements.

## VILLAGE OF CHICAGO RIDGE

### STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS For the Year Ended December 31, 2014

---

	<u>Pension Trusts</u>
<b>ADDITIONS</b>	
Contributions	
Employer	\$ 2,254,435
Plan members	<u>373,486</u>
Total Contributions	<u>2,627,921</u>
Investment income	
Investment income	1,264,097
Net appreciation (depreciation) in fair value of investments	30,920
Interest expense	<u>(90,811)</u>
Total Investment Income	<u>1,204,206</u>
Total Additions	<u>3,832,127</u>
<b>DEDUCTIONS</b>	
Administration	215,088
Benefits	<u>1,780,168</u>
Total Deductions	<u>1,995,256</u>
<b>Change in Net Position</b>	1,836,871
NET POSITION - Beginning of Year	<u>25,017,248</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 26,854,119</u>

See accompanying notes to financial statements.

## VILLAGE OF CHICAGO RIDGE

### INDEX TO NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

---

The Village of Chicago Ridge, Illinois (the "village") was incorporated in 1914. The village is a home-rule municipality, under the 1970 Illinois Constitution, located in Cook County, Illinois. The village operates under a President-Trustee form of government and provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Village of Chicago Ridge, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

#### ***A. REPORTING ENTITY***

This report includes all of the funds of the village. The reporting entity for the village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of two methods, discrete presentation or blending. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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##### **A. REPORTING ENTITY (cont.)**

###### ***Component Units***

The Police Pension Employees Retirement System (PPERS) is established for the village's police employees. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the village's President, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The village and the PPERS participants are obligated to fund all 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 possesses many characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the village's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund and the data for the component unit is included in the government's fiduciary fund financial statements. Complete financial statements for the component unit may be obtained at the village's administrative offices.

The Firefighters' Pension Employees Retirement System (FPERS) is established for the village's firefighters. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the village's President, one pension beneficiary elected by the membership, and two fire employees elected by the membership constitute the pension board. The village and the FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the village's firefighters because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund and the data for the component unit is included in the government's fiduciary fund financial statements. Complete financial statements for the component unit may be obtained at the village's administrative offices.

##### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

###### ***Government-Wide Financial Statements***

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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##### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

###### ***Government-Wide Financial Statements (cont.)***

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The village does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

###### ***Fund Financial Statements***

Financial statements of the village are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues, and expenditure/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the village or meets the following criteria:

- a. Total assets/deferred outflow of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the village believes is particularly important to financial statement users may be reported as a major fund.

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

The village reports the following major governmental funds:

- General Fund - accounts for the village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Bond and Interest Fund - accounts for the accumulation of resources, through transfers from the General Fund, and payments of general long-term debt principal, interest, and related costs.

**VILLAGE OF CHICAGO RIDGE**

**NOTES TO FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2014

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**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

***Fund Financial Statements (cont.)***

The village reports the following major governmental funds: (cont.)

Capital Improvements Fund - is used to account for the accumulation of financial resources to be used for the acquisition, construction, or improvement of major capital facilities.

The village reports the following major enterprise fund:

Water and Sewer Fund - accounts for operations of the water distribution system and sewer system.

The village reports the following nonmajor governmental funds:

Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Motor Fuel Tax  
Ridgeland TIF

Community Development

Debt Service Funds - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs.

Special Assessment No. 28

Special Assessment No. 33

In addition, the village reports the following fund types:

Pension trust funds are used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans.

Police Pension  
Firefighters' Pension

Agency fund is used to account for and report assets held by the village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Agency Fund - Trust and Agency Escrow

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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##### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION***

###### ***Government-Wide Financial Statements***

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and 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. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

###### ***Fund Financial Statements***

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for state income taxes and sales taxes, for which available is defined as 90 days. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the village is entitled the resources and the amounts are available. Amounts owed to the village which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows of resources.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

---

##### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)***

###### ***Fund Financial Statements (cont.)***

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

The 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 water and sewer fund are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary 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.

###### ***All Financial Statements***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

##### ***D. ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY***

###### ***1. Deposits and Investments***

For purposes of the statement of cash flows, the village considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents. The deposits and investments of the pension trust funds are held separately from those of other funds.

Illinois Statutes authorize the village to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool.

Pension funds may also invest in certain non U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and the Illinois insurance company general and separate accounts, mutual funds meeting certain requirements, equity securities, and corporate bonds meeting certain requirements. Pension funds with net position in excess of \$10,000,000 and an appointed investment adviser may invest an additional portion of its assets in common and preferred stocks and mutual funds, that meet certain requirements.

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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##### ***D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)***

###### ***1. Deposits and Investments (cont.)***

The village has adopted an investment policy. That policy follows the state statute for allowable investments.

##### **Interest Rate Risk**

The village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The pension funds limit exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

##### **Credit Risk**

State Statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The pension funds help limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The pension funds' investment policies establish criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The pension funds' investment policies also prescribe to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

##### **Concentration of Credit Risk**

The firefighters' pension investment policy states "the Plan shall be so diversified as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so. Diversification is to be interpreted to include diversification by asset type, by characteristic and by number of investments." The police pension does not have a formal written policy with regards to concentration of credit risk for investments.

##### **Custodial Credit Risk - Deposits**

The village's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization, witnessed by a written agreement and held at an independent - third party institution in the name of the municipality. The pension funds' investment policies do not require pledging of collateral for all bank balances in excess of FDIC insurable limits, since flow-through FDIC insurance is available for the pension funds' deposit with financial institutions.

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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##### ***D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)***

##### ***1. Deposits and Investments (cont.)***

##### **Custodial Credit Risk - Investments**

The pension funds do not have a formal written policy with regards to custodial credit risk for investments.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

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

See Note III. A. for further information.

##### ***2. Receivables***

Property taxes for levy year 2014 attaches as an enforceable lien on January 1, 2014, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance).

Tax bills for levy year 2014 are prepared by Cook County and issued on or about February 1, 2015 and July 1, 2015, and are payable in two installments, on or about March 1, 2015 and August 1, 2015 or within 30 days of the tax bills being issued.

The county collects such taxes and remits them periodically. The 2014 property tax levy is recognized as a receivable and deferred inflow of resources in fiscal 2014, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2014, the property taxes receivable and deferred tax revenue consisted of the estimated amount collectible from the 2014 levy.

Proprietary fund trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 120 days plus 1% comprise the trade accounts receivable allowance for uncollectibles.

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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##### *D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)*

##### *2. Receivables (cont.)*

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

##### *3. Prepaid Items*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

##### *4. Restricted Assets*

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

##### *5. Capital Assets*

##### *Government-Wide Statements*

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$1,000 for general capital assets and \$1,000 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	20 - 80 Years
Land Improvements	20 Years
Machinery and Equipment	5 - 30 Years
Infrastructure	80 Years

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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##### ***D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)***

##### ***5. Capital Assets (cont.)***

###### ***Fund Financial Statements***

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

##### ***6. Compensated Absences***

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. Employees earn a specified amount of vacation and sick leave each year. Vacations must be taken in the year following the year in which it was earned. Sick leave may be accumulated for future use, but employees are not compensated for unused sick leave upon termination. Therefore, the village does not record a liability for unused sick leave. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements and are payable with expendable resources.

##### ***7. Long-Term Obligations***

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

##### ***8. Deferred Inflows of Resources***

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

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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##### ***D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)***

##### ***9. Equity Classifications***

##### **Government-Wide Statements**

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on their 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 legislation.
- c. Unrestricted net position - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the village's policy to use restricted resources first, then unrestricted resources as they are needed.

##### ***Fund Statements***

Governmental fund balances and displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints place on their 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 legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the village board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the village that originally created the commitment.

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

---

##### ***D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)***

###### **Fund Statements (cont.)**

- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following: 1) The Board may take official action to assign amounts. 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceeds amounts restricted, committed, or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

Fiduciary fund equity is classified as held in trust for pension benefits on the statement of fiduciary net position. Various donor restrictions apply, including authorizing and spending trust income, and the village believes it is in compliance with all significant restrictions.

##### ***10. Assets Held for Resale***

The village's assets held for resale include property that is being held for sale for future development of the village. The assets are valued at the lower of cost or market.

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#### **NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

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##### ***A. BUDGETARY INFORMATION***

Budgetary information is derived from the annual operating budget and except for the exclusion of certain pension related activity, discussed below, is presented using generally accepted accounting principles and the modified accrual basis of accounting. Budget amounts are as originally adopted by the Board of Trustees on December 17, 2013. All annual appropriations lapse at fiscal year end.

Prior to December 31, the village clerk submits to the village board a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to March 31, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year of the general fund and special revenue funds.

**VILLAGE OF CHICAGO RIDGE**

**NOTES TO FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2014

**NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)**

**A. BUDGETARY INFORMATION (cont.)**

The village is authorized to change budgeted amounts within any fund; however, revision must be approved by two-thirds of the members of the village board. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The appropriated budget is prepared by fund, function, and department. The village is authorized to transfer budget amounts between departments within any fund; however, the village board must approve revisions that alter the total expenditures of any fund.

**B. BUDGET RECONCILIATIONS**

	<u>Revenues</u>	<u>Expenditures</u>
General Fund Budgetary Basis	\$ 14,893,023	\$ 13,060,464
To adjust for revenue - pension property tax	2,254,435	-
To adjust for expenditure - pension contributions	-	<u>2,254,435</u>
 General Fund GAAP Basis	 <u>\$ 17,147,458</u>	 <u>\$ 15,314,899</u>

**C. EXCESS EXPENDITURES OVER BUDGET**

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
General Fund	\$ 12,564,290	\$ 13,060,464	\$ 496,174
Bond and Interest	576,778	576,863	85

The village controls expenditures at the department level. Some individual departments experienced expenditures which exceeded budget. The detail of those items can be found in the village's year-end budget to actual report.

**D. DEFICIT BALANCES**

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

At December 31, 2014, the Community Development Fund had a deficit fund balance of \$18,877. This deficit is anticipated to be funded with future contributions.

**VILLAGE OF CHICAGO RIDGE**

**NOTES TO FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2014

**NOTE III - DETAILED NOTES ON ALL FUNDS**

**A. DEPOSITS AND INVESTMENTS**

The village, police pension, and firefighters' pension deposits and investments at year end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Deposits	\$ 3,812,680	\$ 4,057,504	Custodial Credit Risk - Deposits
Equity mutual funds	12,313,561	12,313,561	None
Equity securities	762,910	762,910	Custodial Credit Risk - Investments and Concentration of Credit Risk
Insurance contracts	2,216,226	2,216,226	Concentration of Credit Risk and Interest Rate Risk
Other investments - village	7,847,280	7,851,607	Credit Risk
Other investments - police pension	7,223,102	7,223,102	Custodial Credit Risk - Investments, Credit Risk, Concentration of Credit Risk and Interest Rate Risk
Other investments - firefighters' pension	3,672,516	3,672,516	Custodial Credit Risk - Investments, Credit Risk, Concentration of Credit Risk and Interest Rate Risk
Petty cash	125	-	N/A
<b>Total Deposits and Investments</b>	<b>\$ 37,848,400</b>	<b>\$ 38,097,426</b>	

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

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##### A. DEPOSITS AND INVESTMENTS (cont.)

Reconciliation to financial statements	
Per statement of net position	
Cash	\$ 3,117,419
Investments	7,844,811
Restricted cash	4
Per statement of net position- fiduciary funds	
Pension trusts - cash	70,619
Pension trusts - certificates of deposit	608,520
Pension trusts - money markets	2,532,684
Pension trusts - U.S. Gov't and agency	4,889,896
Pension trusts - corporate bonds	3,473,038
Pension trusts - mutual funds	12,313,561
Pension trusts - equity securities	762,910
Pension trusts - insurance contracts	2,216,226
Agency - cash	14,320
Agency - money markets	<u>4,392</u>
 Total Deposits and Investments	 <u>\$ 37,848,400</u>

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held at an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

##### ***Custodial Credit Risk***

##### **Deposits**

Custodial credit risk is the risk that in the event of a financial institution failure, the village's deposits may not be returned to the village.

The village, police pension, and firefighters' pension do not have any deposits exposed to custodial credit risk.

##### **Investments**

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

# VILLAGE OF CHICAGO RIDGE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

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#### A. DEPOSITS AND INVESTMENTS (cont.)

##### *Custodial Credit Risk* (cont.)

##### Investments (cont.)

The village, police pension fund, and firefighters' pension fund do not have any investments exposed to custodial credit risk.

##### *Credit Risk*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The village, police pension fund, and firefighters' pension fund investment in Illinois Funds, a state investment pool, was rated AAAm by Standard & Poor's. The pension funds' investments in the securities of U.S. government agencies were all rated triple A by Standard & Poor's or by Moody's Investors Services and investments in corporate obligations were rated BBB or higher. In addition, the firefighters' pension had unrated investments in small issues including two Royal Bank of Canada Corporate Bond pools (\$600,000 par value, 0% interest rate maturing June 28, 2018, and \$600,000 par value, 0% interest rate maturing March 29, 2017). The firefighters' pension also had an unrated investment in a Morgan Stanley Corporate Bond pool at \$300,000 par value, 0% interest rate maturing March 27, 2015 and a HSBC Corporate Bond pool at \$500,000 par value, 0% interest rate maturing February 27, 2018.

##### *Concentration of Credit Risk*

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At December 31, 2014, the pension funds have over 5% of plan net position invested in various investments as indicated in the tables below. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and as mentioned earlier are backed by the issuing organization. Although, unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation.

Royal Bank of Canada Corporate Bond	\$	600,000
Royal Bank of Canada Corporate Bond		600,000

##### *Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

**VILLAGE OF CHICAGO RIDGE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**A. DEPOSITS AND INVESTMENTS (cont.)**

**Interest Rate Risk (cont.)**

Police Pension:

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1-5	6-10	More than 10
U.S. Treasury Notes	\$ 3,633,071	\$ 634,536	\$ 2,951,580	\$ 46,955	\$ -
Governmental National Mortgage Assoc.	4,302	-	-	2,210	2,092
Federal Farm Credit Bank	72,654	-	72,654	-	-
Federal Home Loan Mortgage Corp.	135,011	135,011	-	-	-
Federal Home Loan Bank	440,674	-	335,016	105,658	-
Federal National Mortgage Assoc.	355,830	-	355,830	-	-
Corporate Bonds	1,375,373	246,040	720,191	409,142	-
Money Market Mutual Funds	<u>1,206,187</u>	<u>1,206,187</u>	-	-	-
<b>Totals</b>	<b><u>\$ 7,223,102</u></b>	<b><u>\$ 2,221,774</u></b>	<b><u>\$ 4,435,271</u></b>	<b><u>\$ 563,965</u></b>	<b><u>\$ 2,092</u></b>

Firefighters' Pension:

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1-5	6-10	More than 10
Governmental National Mortgage Assoc.	\$ 248,354	\$ -	\$ -	\$ 1,449	\$ 246,905
Corporate Bonds	2,097,665	331,035	1,766,630	-	-
Money Market Mutual Funds	1,276,795	1,276,795	-	-	-
Illinois Funds	<u>49,702</u>	<u>49,702</u>	-	-	-
<b>Totals</b>	<b><u>\$ 3,672,516</u></b>	<b><u>\$ 1,657,532</u></b>	<b><u>\$ 1,766,630</u></b>	<b><u>\$ 1,449</u></b>	<b><u>\$ 246,905</u></b>

See Note I.D.1. for further information on deposit and investment policies.

**B. RECEIVABLES**

All of the receivables on the balance sheet are expected to be collected within one year.

**VILLAGE OF CHICAGO RIDGE**

**NOTES TO FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2014

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**C. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2014, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 1,058,336	\$ -	\$ -	\$ 1,058,336
Total Capital Assets Not Being Depreciated	<u>1,058,336</u>	<u>-</u>	<u>-</u>	<u>1,058,336</u>
Capital assets being depreciated				
Land Improvements	\$ 1,001,965	\$ -	\$ -	\$ 1,001,965
Buildings	15,823,787	18,841	-	15,842,628
Equipment	5,402,384	520,408	1,250,781	4,672,011
Infrastructure	11,262,381	299,454	-	11,561,835
Total Capital Assets Being Depreciated	<u>33,490,517</u>	<u>838,703</u>	<u>1,250,781</u>	<u>33,078,439</u>
Total Capital Assets	<u>34,548,853</u>	<u>838,703</u>	<u>1,250,781</u>	<u>34,136,775</u>
Less: Accumulated depreciation for				
Land Improvements	(745,995)	(41,050)	-	(787,045)
Buildings	(3,357,845)	(282,809)	-	(3,640,654)
Equipment	(3,600,826)	(233,550)	862,786	(2,971,590)
Infrastructure	(4,197,505)	(153,854)	-	(4,351,359)
Total Accumulated Depreciation	<u>(11,902,171)</u>	<u>(711,263)</u>	<u>862,786</u>	<u>(11,750,648)</u>
Net Capital Assets Being Depreciated	<u>21,588,346</u>	<u>127,440</u>	<u>387,995</u>	<u>21,327,791</u>
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 22,646,682</u>	<u>\$ 127,440</u>	<u>\$ 387,995</u>	<u>\$ 22,386,127</u>

**VILLAGE OF CHICAGO RIDGE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**C. CAPITAL ASSETS (cont.)**

Depreciation expense was charged to functions as follows:

**Governmental Activities**

Village board/administration	\$ 539
Village hall	144,072
Buildings and grounds	5,072
Licensing and buildings	657
Police department	208,141
Fire department	173,611
ESDA department	212
Street Department	44,981
Unallocated depreciation (including infrastructure)	<u>133,978</u>
Total Governmental Activities Depreciation Expense	<u>\$ 711,263</u>

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-type Activities</b>				
Capital assets being depreciated				
Buildings	\$ 886,500	\$ -	\$ -	\$ 886,500
Equipment - sewer	403,997	4,081	-	408,078
Equipment - water	639,739	4,096	-	643,835
Infrastructure	<u>10,375,893</u>	<u>252,356</u>	-	<u>10,628,249</u>
Total Capital Assets Being Depreciated	<u>12,306,129</u>	<u>260,533</u>	-	<u>12,566,662</u>
Less: Accumulated depreciation for				
Buildings	(702,366)	(44,981)	-	(747,347)
Equipment - sewer	(217,510)	(23,446)	51,554	(189,402)
Equipment - water	(417,226)	(9,556)	(51,554)	(478,336)
Infrastructure	<u>(4,882,546)</u>	<u>(120,558)</u>	-	<u>(5,003,104)</u>
Total Accumulated Depreciation	<u>(6,219,648)</u>	<u>(198,541)</u>	-	<u>(6,418,189)</u>
Net Capital Assets Being Depreciated	<u>6,086,481</u>	<u>61,992</u>	-	<u>6,148,473</u>
Business-type Capital Assets, Net of Accumulated Depreciation	<u>\$ 6,086,481</u>	<u>\$ 61,992</u>	<u>\$ -</u>	<u>\$ 6,148,473</u>

**VILLAGE OF CHICAGO RIDGE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**C. CAPITAL ASSETS (cont.)**

Depreciation expense was charged to functions as follows:

**Business-type Activities**

Water	\$ 44,981
Sewer	33,002
Unallocated depreciation (infrastructure)	<u>120,558</u>

Total Business-type Activities Depreciation Expense	<u>\$ 198,541</u>
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**D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS**

**Interfund Receivables/Payables**

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 18,877
Bond and Interest	General	56,694
Capital Improvements	General	108,053
Capital Improvements	Nonmajor Governmental	73,128
Water	Nonmajor Governmental	<u>9,606</u>
Total - Fund Financial Statements		266,358
Less: Government-wide eliminations		<u>(256,752)</u>
Total Internal Balances - Government-Wide Statement of Net Position		<u>\$ 9,606</u>

All amounts are due within one year.

**VILLAGE OF CHICAGO RIDGE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

***D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)***

***Transfers***

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General	Nonmajor Governmental	\$ 350,000	To fund street and parking lot repairs funded by the General Fund
Bond and Interest	General	575,278	To pay for principal and interest on bonds
Capital Improvements	General	<u>408,053</u>	To pay for capital improvement projects funded by the General Fund
Total - Fund Financial Statements		1,333,331	
Less: Government-wide eliminations		<u>(1,333,331)</u>	
Total Transfers - Government-Wide Statement of Activities		<u>\$ -</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**VILLAGE OF CHICAGO RIDGE**

**NOTES TO FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2014

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

***E. LONG-TERM OBLIGATIONS***

Long-term obligations activity for the year ended December 31, 2014, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities</b>					
Bonds and Notes Payable					
General obligation debt	\$ 4,640,000	\$ -	\$ 390,000	\$ 4,250,000	\$ 405,000
Tax increment financing bonds	2,670,000	-	-	2,670,000	-
Sub-totals	7,310,000	-	390,000	6,920,000	405,000
<b>Other Liabilities</b>					
Vested compensated absences	290,446	423,445	397,079	316,812	316,812
Net pension obligation	2,533,010	98,996	-	2,632,006	-
Other post employment benefits payable	1,997,547	286,217	-	2,283,764	-
Total Other Liabilities	4,821,003	808,658	397,079	5,232,582	316,812
Total Governmental Activities Long-Term Liabilities	\$ 12,131,003	\$ 808,658	\$ 787,079	\$ 12,152,582	\$ 721,812
<b>Business-type Activities</b>					
Other Liabilities					
Other post employment benefits payable	\$ 121,136	\$ 6,401	\$ -	\$ 127,537	\$ -
Net Pension Obligation	62,273	3,246	-	65,519	-
Total Business-type Activities Long-Term Liabilities	\$ 183,409	\$ 9,647	\$ -	\$ 193,056	\$ -

Estimated payments of compensated absences, other post employment benefits and net pension obligation are not included in the debt service requirement schedules. The compensated absences liability, other post employment benefit and net pension obligation attributable to governmental activities will be liquidated primarily by the General Fund.

***General Obligation Debt***

All general obligation notes and bonds payable are backed by the full faith and credit of the village. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund.

**VILLAGE OF CHICAGO RIDGE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**E. LONG-TERM OBLIGATIONS (cont.)**

**General Obligation Debt (cont.)**

<u>Governmental Activities</u> <u>General Obligation Debt</u>	<u>Date of</u> <u>Issue</u>	<u>Final</u> <u>Maturity</u>	<u>Interest</u> <u>Rates</u>	<u>Original</u> <u>Indebtedness</u>	<u>Balance</u> <u>December 31,</u> <u>2014</u>
General Obligation Corporate Purpose Bonds Series August 15, 2008 - Due in annual installments of \$365,000 to \$550,000	8/15/2008	12/1/2023	3.00% - 4.30%	\$ 5,380,000	<u>\$ 4,250,000</u>
Total Governmental Activities - General Obligation Debt					<u>\$ 4,250,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities</u> <u>General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2015	\$ 405,000	\$ 171,822
2016	420,000	157,040
2017	435,000	141,290
2018	450,000	124,543
2019	470,000	106,543
2020-2023	<u>2,070,000</u>	<u>224,675</u>
Totals	<u>\$ 4,250,000</u>	<u>\$ 925,913</u>

**VILLAGE OF CHICAGO RIDGE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**E. LONG-TERM OBLIGATIONS (cont.)**

***Tax Increment Financing Bonds***

Tax increment financing bonds are payable from incremental taxes derived from a separately created tax increment financing district.

Tax Increment Financing Bonds at December 31, 2014, consists of the following:

<u>Governmental Activities</u>					Balance
<u>Tax Increment Financing Bonds</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>December 31, 2014</u>
Tax Increment Revenue Senior Lien Bonds, Series 2011A	12/20/2011	2/01/2027	4.95 - 6.95%	\$ 2,081,000	\$ 2,080,000
Tax Increment Revenue Junior Lien Bonds, Series 2011B	12/20/2011	2/01/2027	4.95 - 6.95%	590,000	<u>590,000</u>
Total Governmental Activities Tax Increment Financing Bonds					<u>\$ 2,670,000</u>

The Village has pledged future net incremental property taxes, to repay \$2,671,000 in Tax Increment Revenue Bonds issued in 2011. Proceeds from the bonds provided financing for the Developer to purchase land in the TIF Area. The bonds are payable solely from net incremental property taxes and are payable through February 1, 2027. Annual principal and interest payments on the bonds are only payable should the appropriate funds become available. The total principal remaining to be paid on the bonds is \$2,670,000. Principal and Interest payments began in 2012 and net incremental property taxes received during fiscal year 2014 was \$71,257. Net incremental property taxes are deposited into the Municipal Account of the Special Tax Allocation Fund to pay for debt service requirements of the bonds. As this amount is uncertain and debt service payments are delayed until sufficient net incremental property taxes have been collected, no repayment schedule has been calculated. The percentage of net revenues required to fund annual principle and interest on the bonds is not estimable. The order of payment on Bonds from all available monies shall be as follows:

- (a) To pay the annual tuition reimbursement to the overlapping school districts.
- (b) To pay administrative costs not to exceed \$10,000 increased by 5% each tax year. Remaining funds after this payment are considered net incremental property taxes.
- (c) To pay for deferred accrued interest on 2011A bonds.
- (d) To pay for current interest on 2011A bonds.
- (e) To pay for mandatory or stated redemption of principal on 2011A bonds.

**VILLAGE OF CHICAGO RIDGE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**E. LONG-TERM OBLIGATIONS (cont.)**

**Tax Increment Financing Bonds (cont.)**

- (f) To pay for deferred interest on 2011A bonds.
- (g) To pay for deferred accrued interest on 2011B bonds.
- (h) To pay for current interest on 2011B bonds.
- (i) To pay for mandatory or stated redemption of principal on 2011B bonds.
- (j) To pay for deferred interest on 2011B bonds.

**F. FUND BALANCES**

**Governmental Funds**

Governmental fund balances reported on the fund financial statements at December 31, 2014, include the following:

	General	Bond and Interest	Capital Improvement	Nonmajor Funds	Totals
<b>Fund balances:</b>					
<b>Nonspendable:</b>					
Prepaid items	\$ -	\$ -	\$ 54,601	\$ -	\$ 54,601
<b>Restricted for:</b>					
Economic					
Development	4	-	-	45,489	45,493
Street	-	-	-	224,777	224,777
Improvements	-	-	-	2,073	2,073
Special	-	-	-	-	-
Assessments	-	-	-	-	-
<b>Assigned to:</b>					
Debt Service	-	5,601	-	-	5,601
Capital					
Improvements	-	-	3,995,587	-	3,995,587
<b>Unassigned:</b>	<u>6,364,127</u>	<u>-</u>	<u>-</u>	<u>(18,877)</u>	<u>6,345,250</u>
<b>Total fund</b>					
<b>balances</b>	<u>\$ 6,364,131</u>	<u>\$ 5,601</u>	<u>\$ 4,050,188</u>	<u>\$ 253,462</u>	<u>\$ 10,673,382</u>

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### NOTE IV - OTHER INFORMATION

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##### **A. EMPLOYEES' RETIREMENT SYSTEM**

###### ***Plan Descriptions***

The village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is a single-employer pension plan. The benefits, benefits levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan and the Firefighters' Pension Plan do issue separate reports on the pension plans. IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

###### **Illinois Municipal Retirement Fund**

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Public Act 96-0889 created a second tier for IMRF's Regular Plan. Effective January 1, 2011, IMRF assigns a benefit tier to a member when he or she is enrolled in IMRF. The tier is determined by the member's first IMRF participation date. If the member first participated in IMRF before January 1, 2011, they participate in Regular Tier 1. If the member first participated in IMRF on or after January 1, 2011, they participate in Regular Tier 2.

For Regular Tier 1, pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1 2/3% of their final rate (average of the highest 48 consecutive months earnings during the last 10 years) of earnings for each year of credited service up to 15 years and 2% for each year thereafter. For Regular Tier 2, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 years of service, or age 62 with 35 years of service are entitled to an annual retirement benefit as described above. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by Illinois Compiled Statutes. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village contribution rate for 2013 was 15.26 percent of annual covered payroll. For 2013, the employer annual required contribution rate was 16.06 percent.

###### **Police Pension**

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The village accounts for the plan as a pension trust fund.

VILLAGE OF CHICAGO RIDGE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

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**NOTE IV - OTHER INFORMATION (cont.)**

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**A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

**Police Pension (cont.)**

At January 1, 2014, the date of the latest actuarial valuation, the Police Pension membership consisted of:

Retirees and beneficiaries currently receiving benefits	25
Terminated employees entitled to but not yet receiving benefits	-
Current employees	<u>29</u>
Total	<u><u>54</u></u>

As provided for in the Illinois Compiled Statutes, the Police Pension Fund provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Police Pension Fund as provided for in Illinois Compiled Statutes.

*Tier 1* - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

*Tier 2* - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a police officer shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one half the annual unadjusted percentage increase in the CPI, whichever is less.

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 plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the Village's contributions must accumulate to the point where past service cost for the Police Pension Plan is 90% by the year 2040.

# VILLAGE OF CHICAGO RIDGE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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### NOTE IV - OTHER INFORMATION (cont.)

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#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### Firefighters' Pension

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The village accounts for the plan as a pension trust fund.

At January 1, 2014, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits:	7
Terminated employees entitled to but not yet receiving benefits	1
Current employees	<u>17</u>
Total	<u><u>25</u></u>

As provided for in the Illinois Compiled Statutes, the Firefighters' Pension Fund provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Firefighters' Pension Fund as provided for in Illinois Compiled Statutes.

*Tier 1* - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

*Tier 2* - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a firefighter shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one half the annual unadjusted percentage increase in the CPI, whichever is less.

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### **NOTE IV - OTHER INFORMATION (cont.)**

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##### **A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

##### **Firefighters' Pension (cont.)**

Participants contribute a fixed percentage of their base salary to the plans. At December 31, 2014, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The village is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the Village's contributions must accumulate to the point where past service cost for the Firefighters' Pension Plan is 90% by the year 2040.

##### **Summary of Significant Accounting Policies**

##### ***Police and Firefighters' Pension Plans***

*Basis of Accounting.* The financial statements of the pension fund are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The village's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

*Method Used to Value Investments.* Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

**VILLAGE OF CHICAGO RIDGE**

**NOTES TO FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2014

**NOTE IV - OTHER INFORMATION (cont.)**

**A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

**Annual Pension Cost**

The village annual required contribution for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2013	January 1, 2014	January 1, 2014
Contribution rates:			
Employer	15.26%	68.45%	45.12%
Employee	4.50%	9.91%	9.46%
Annual pension cost	\$372,653	\$1,741,450	\$596,664
Contributions made	\$354,090	\$1,635,483	\$618,952
Actuarial cost method	Entry-age normal 5 year smoothed	Entry-age normal 5-year smoothed	Entry-age normal 5-year smoothed
Asset valuation method	market	market	market
Amortization method	Level percentage of payroll, closed	Level percentage of payroll	Level percentage of payroll
Amortization period	30 years, open	25 years, closed	20 years, closed
Actuarial assumptions:			
Investment rate of return	7.50%	6.00%	7.00%
	Compounded annually	Compounded annually	Compounded annually
Projected salary increases	0.4 to 10.0%	5.00% to 6.25%	5.50%
Inflation rate included	4.00%	3.00%	3.00%
Cost-of-living adjustments	3.00%	3.00%	3.00%

**Net Pension Obligation**

The following is the net pension obligation calculation from the actuarial reports:

Net Pension Obligation:	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual required contribution	\$ 372,653	\$ 1,711,527	\$ 587,974
Interest on net pension obligation	-	109,488	41,714
Adjustment to annual required contribution	-	(79,565)	(33,024)
Annual pension cost	372,653	1,741,450	596,664
Contributions made	(354,090)	(1,635,483)	(618,952)
Change in net pension obligation	18,563	105,967	(22,288)
Net pension obligation, beginning of year	190,981	1,824,808	579,494
Net pension obligation, end of year	<u>\$ 209,544</u>	<u>\$ 1,930,775</u>	<u>\$ 557,206</u>

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

#### NOTE IV - OTHER INFORMATION (cont.)

##### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

#### Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

	Fiscal Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2014	\$ 372,653	\$ 1,741,450	\$ 596,664
	2013	351,033	1,613,805	606,641
	2012	453,902	1,525,627	589,917
Contributions made	2014	\$ 354,090	\$ 1,635,483	\$ 618,952
	2013	322,226	1,520,339	563,505
	2012	291,728	1,084,582	535,121
Percentage of APC contributed	2014	95.02%	93.92%	103.74%
	2013	91.79%	95.62%	92.91%
	2012	64.27%	71.09%	90.71%
Net pension obligation	2014	\$ 209,544	\$ 1,930,775	\$ 557,206
	2013	190,981	1,824,808	579,494
	2012	162,174	1,731,342	536,358

#### Funded Status and Funding Progress

The village's actuarial value of plan assets for the current year and related information is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	December 31, 2013	January 1, 2014	January 1, 2014
Actuarial Valuation of Assets (a)	\$ 5,953,044	\$ 14,957,675	\$ 9,633,476
Actuarial Accrued Liability (AAL) - Entry Age (b)	8,572,073	37,700,256	15,345,063
Unfunded AAL (UAAL) (b - a)	2,619,029	22,742,581	5,711,587
Funded Ratio (a/b)	69.45 %	39.68 %	62.78 %
Covered Payroll (c)	\$ 2,320,378	\$ 2,389,387	\$ 1,371,868
UAAL as a Percentage of Covered Payroll ((b-a)/c)	112.87 %	951.82 %	416.34 %

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### NOTE IV - OTHER INFORMATION (cont.)

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##### ***B. RISK MANAGEMENT***

The village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

##### ***C. OTHER POSTEMPLOYMENT BENEFITS***

The village administers a single-employer defined benefit healthcare plan. The plan provides limited healthcare insurance for eligible retirees through the village's plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and past practice and state that eligible disabled pensioners at established contribution rates.

Contribution requirements are established through collective bargaining agreements and past practice and may be amended through negotiations between the village and the union or by action of the governing body. The village contributes 100 percent and 80 percent of the current year premiums for eligible disabled pensioners and all others, respectively, for eligible retired plan members. For fiscal year 2014, the village contributed \$361,547 to the plan. Plan members receiving benefits contribute 20 percent of their premium costs. For fiscal year 2014, total member contributions were \$53,528.

The village's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the village's annual OPEB cost for the year, the amount actually contributed to plan, and changes in the village's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	\$	640,041
Interest on net OPEB obligation		84,747
Adjustment to annual required contribution		<u>(70,623)</u>
Annual OPEB cost		654,165
Contributions made		<u>(361,547)</u>
Increase in net OPEB obligation (asset)		292,618
Net OPEB Obligation (Asset) - Beginning of Year		<u>2,118,683</u>
Net OPEB Obligation (Asset) - End of Year	\$	<u><u>2,411,301</u></u>

**VILLAGE OF CHICAGO RIDGE**

**NOTES TO FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2014

**NOTE IV - OTHER INFORMATION (cont.)**

**C. OTHER POSTEMPLOYMENT BENEFITS (cont.)**

The village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
December 31, 2014	\$ 654,165	55.27%	\$ 2,411,301
December 31, 2013	523,822	23.99%	2,118,683
December 31, 2012	504,862	24.89%	1,720,519

The funded status of the plan as of December 31, 2014, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 10,579,140
Actuarial value of plan assets	<u>-</u>
<b>Unfunded Actuarial Accrued Liability (UAAL)</b>	<b><u>\$ 10,579,140</u></b>
 Funded ratio (actuarial value of plan assets/AAL)	 0%
 Covered payroll (active plan members)	 \$ 5,591,906
 UAAL as a percentage of covered payroll	 189%

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### **NOTE IV - OTHER INFORMATION (cont.)**

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##### ***C. OTHER POSTEMPLOYMENT BENEFITS (cont.)***

In the December 31, 2014 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 4.00% investment rate of return and an annual healthcare cost trend rate of 8.50% initially, reduced by decrements to an ultimate rate of 5.50% after 13 years. Both rates include a 3.00% inflation assumption. The actuarial value of Retiree Health Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three-year period. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at December 31, 2014, was 30 years.

##### ***D. TAX INCREMENT FINANCING DISTRICT***

The Village of Chicago Ridge has established several Tax Increment Redevelopment Project Areas (RPA's) to encourage redevelopment of certain sites for more market oriented commercial uses of the properties that will enhance their value and improve their contributions to the village and its surrounding areas. As part of the redevelopment plans, the village has made significant improvements to utilities, public parking, intersections, and traffic signalization, streets and landscaping. The redevelopment plans also include site preparation, land acquisition and assembly, and demolition/clearance.

Construction and development in the RPA's were the responsibility of developers and are substantially complete. To entice development of the areas, the village created tax increment financing (TIF) districts to finance public improvements made within the RPA's.

Several funds have been established to record the revenues generated in the RPA's that relate directly to servicing the debt issued to make public improvements in the RPA's.

## VILLAGE OF CHICAGO RIDGE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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#### **NOTE IV - OTHER INFORMATION (cont.)**

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##### ***E. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS***

The Governmental Accounting Standards Board (GASB) has approved the following:

- > Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*
- > Statement No. 71, *Pension - Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB 68.*
- > GASB Statement No. 72, *Fair Value Measurement and Application.*
- > GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68.*
- > GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.*
- > GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*
- > GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.*
- > GASB Statement No. 77, *Tax Abatement Disclosures.*

When they become effective, application of these standards may restate portions of these financial statements.

##### ***F. REDEVELOPMENT AGREEMENT AND RESTRICTED CASH***

By an ordinance dated July 1, 1998, the village entered into a redevelopment agreement with a local developer for the purpose of paying costs incurred by the developer to improve property within the village. Under the agreement, the village issued a \$4,626,250 note to the developer which bears interest at 8 percent and has a maturity date of January 15, 2020.

The note is payable solely from the incremental sales taxes received by the village from the redevelopment area. The village has no obligation to pay principal or interest on the note beyond the amount of incremental sales taxes collected. Therefore, the note has not been recognized as a liability in the accompanying financial statements. The amount of sales taxes collected at year end which are to be remitted to the local developer is represented as restricted cash on the face of the financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

## VILLAGE OF CHICAGO RIDGE

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND - NONGAAP BUDGETARY BASIS

For the Year Ended December 31, 2014

With Comparative Actual Amounts for the Year Ended December 31, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
<b>REVENUES</b>				
Property taxes	\$ 2,325,000	\$ 2,530,459	\$ 205,459	\$ 2,438,476
Other taxes	6,925,000	7,409,151	484,151	6,648,166
Intergovernmental	1,586,859	1,791,542	204,683	1,749,982
Licenses and permits	1,161,030	1,460,282	299,252	1,106,906
Fest income	270,000	231,120	(38,880)	279,601
Investment income	1,000	870	(130)	1,297
Fines, forfeitures and penalties	355,000	599,256	244,256	413,065
Miscellaneous	487,700	870,343	382,643	719,292
Total Revenues	<u>13,111,589</u>	<u>14,893,023</u>	<u>1,781,434</u>	<u>13,356,785</u>
<b>EXPENDITURES</b>				
<b>CURRENT</b>				
Village board/administration	1,679,451	1,741,654	(62,203)	1,707,484
Village hall	616,225	644,606	(28,381)	559,766
Buildings and grounds	-	-	-	143,085
Health department	51,100	54,010	(2,910)	50,297
Licensing/buildings department	138,193	143,615	(5,422)	147,475
Planning and zoning department	16,080	16,059	21	14,522
Police and fire commission	27,536	24,601	2,935	18,625
Professional services department	645,500	696,497	(50,997)	609,627
Special events department	367,000	436,143	(69,143)	351,954
Police department	4,648,293	4,735,382	(87,089)	4,447,236
Fire department	2,604,452	2,756,108	(151,656)	2,645,845
EMA department	71,570	80,120	(8,550)	48,582
Street department	623,768	636,812	(13,044)	513,222
Refuse department	455,122	455,409	(287)	440,905
TIF area development	60,000	223,856	(163,856)	37,920
Capital outlay	560,000	415,592	144,408	377,226
Total Expenditures	<u>12,564,290</u>	<u>13,060,464</u>	<u>(496,174)</u>	<u>12,113,771</u>
Excess (deficiency) of revenues over (under) expenditures	<u>547,299</u>	<u>1,832,559</u>	<u>1,285,260</u>	<u>1,243,014</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	400,000	350,000	(50,000)	400,000
Transfers out	(825,278)	(983,331)	(158,053)	(672,278)
Total Other Financing Sources (Uses)	<u>(425,278)</u>	<u>(633,331)</u>	<u>(208,053)</u>	<u>(272,278)</u>
Net Change in Fund Balance	<u>\$ 122,021</u>	1,199,228	<u>\$ 1,077,207</u>	970,736
FUND BALANCE - Beginning of Year		<u>5,164,903</u>		<u>4,194,167</u>
<b>FUND BALANCE - END OF YEAR</b>		<u>\$ 6,364,131</u>		<u>\$ 5,164,903</u>

See independent auditors' report and accompanying notes to required supplementary information.

## VILLAGE OF CHICAGO RIDGE

### ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS As of and for the Year Ended December 31, 2014

<u>Fiscal Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
12/31/14	\$ 372,653	95.02%	\$ 209,544
12/31/13	351,033	92.00%	190,981
12/31/12	453,902	64.00%	162,174

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/13	\$ 5,953,044	\$ 8,572,073	\$ 2,619,029	69.45%	\$ 2,320,378	112.87%
12/31/12	5,403,517	8,372,146	2,968,629	64.54%	2,323,184	127.78%
12/31/11	4,782,918	8,035,701	3,252,783	59.52%	2,313,464	140.60%
12/31/10	5,246,947	8,277,879	3,030,932	63.39%	2,373,324	127.71%
12/31/09	3,724,743	7,560,896	3,836,153	49.26%	2,615,051	146.70%
12/31/08	8,150,751	8,821,425	670,674	92.40%	2,726,668	24.60%

#### Assumptions

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$7,461,774. On a market basis, the funded ratio would be 87.05%.

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

Valuation date	December 31, 2013
Actuarial cost method	Entry Age normal
Amortization method	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	0.4% to 10.0%
Inflation factor	4.00%
Cost of living adjustments	3.00%

See independent auditors' report and accompanying notes to required supplementary information.

**VILLAGE OF CHICAGO RIDGE**

**POLICE PENSION FUND  
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS  
As of and for the Year Ended December 31, 2014**

<u>Fiscal Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2014	\$ 1,711,527	95.56%	\$ 1,930,775
12/31/2013	1,590,062	72.00%	1,824,808
12/31/2012	1,506,350	72.00%	1,731,342

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
01/01/2014	\$ 14,957,675	\$ 37,700,256	\$ 22,742,581	39.68%	\$ 2,389,387	951.82%
01/01/2013	13,728,337	31,925,837	18,197,500	43.00%	2,341,589	777.14%
01/01/2012	13,172,750	30,810,747	17,637,997	42.75%	2,289,248	770.47%
12/31/2010	12,609,254	29,090,826	16,481,572	43.34%	2,375,067	693.94%
12/31/2009	11,964,168	26,044,763	14,080,595	45.94%	2,322,346	606.31%
12/31/2007	12,130,091	23,300,043	11,169,952	52.06%	2,182,923	511.70%

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

Valuation date	January 1, 2014
Actuarial cost method	Entry Age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	25 years, closed
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	6.00
Projected salary increases	5.00% to 6.25%
Inflation factor	3.00%
Cost of living adjustments	3.00%

**VILLAGE OF CHICAGO RIDGE**

**FIREFIGHTERS' PENSION FUND  
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS  
As of and for the Year Ended December 31, 2014**

<u>Fiscal Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2014	\$ 587,974	105.27%	\$ 557,206
12/31/2013	606,486	90.90%	579,494
12/31/2012	588,679	96.81%	536,358

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
01/01/2014	\$ 9,633,476	\$ 15,345,063	\$ 5,711,587	62.78%	\$ 1,371,868	416.34%
01/01/2013	8,354,810	13,421,007	5,066,197	62.25%	1,365,653	370.97%
01/01/2012	7,731,780	12,763,417	5,031,637	60.58%	1,483,746	339.12%
12/31/2010	6,815,769	12,255,892	5,440,123	55.61%	1,557,313	349.33%
12/31/2009	5,968,373	11,300,556	5,332,183	52.81%	1,502,712	354.84%
12/31/2008	5,059,044	10,630,457	5,571,413	47.59%	1,435,057	388.24%

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

Valuation date	January 1, 2014
Actuarial cost method	Entry Age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	7.00%
Projected salary increases	5.50%
Inflation factor	3.00%
Cost of living adjustments	3.00%

**VILLAGE OF CHICAGO RIDGE**

RETIREE'S HEALTH PLAN  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS  
 December 31, 2014

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
12/31/14	\$ 640,041	56 %
12/31/13	437,796	29
12/31/12	437,796	29
12/31/11	437,796	29
12/31/10	443,025	28
12/31/09	443,025	28

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) - Level Percent of Pay (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
12/31/14	\$ -	\$ 10,579,140	\$ 10,579,140	0%	\$ 5,591,906	189%
12/31/11	-	8,454,502	8,454,502	0%	6,133,421	138%
12/31/08	-	6,218,557	6,218,557	0%	6,611,651	94%

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF CHICAGO RIDGE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
December 31, 2014

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**BUDGETARY INFORMATION**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Budget amounts are as originally adopted by the Board of Trustees. All annual appropriations lapse at fiscal year end.

The village's budgetary basis of accounting differs from that used for external financial reporting because the village does not budget in its General Fund a revenue and expenditure for the collection of property taxes and personal property replacement taxes related to the pension funds and remittance of those taxes to the pension funds, respectively. The reconciliation of the two bases of accounting is as follows:

**BUDGET RECONCILIATIONS**

	<u>Revenues</u>	<u>Expenditures</u>
General Fund Budgetary Basis	\$ 14,893,023	\$ 13,060,464
Pension levy and replacement taxes received	2,254,435	-
Contribution made to pension fund	-	<u>2,254,435</u>
General Fund GAAP Basis	<u>\$ 17,147,458</u>	<u>\$ 15,314,899</u>

**SUPPLEMENTARY INFORMATION**

## VILLAGE OF CHICAGO RIDGE

**DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL -**  
**GENERAL FUND - NONGAAP BUDGETARY BASIS**  
 For the Year Ended December 31, 2014  
 with Comparative Actual Amounts for the Year Ended December 31, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
<b>Revenues</b>				
Property taxes	\$ 2,325,000	\$ 2,530,459	\$ 205,459	\$ 2,438,476
<b>TOTALS</b>	<u>2,325,000</u>	<u>2,530,459</u>	<u>205,459</u>	<u>2,438,476</u>
<b>Other Taxes</b>				
Sales	6,175,000	6,423,843	248,843	5,939,757
Telecommunication	330,000	345,072	15,072	393,966
Food and beverage	300,000	435,333	135,333	314,443
Amusement	120,000	204,903	84,903	-
<b>TOTALS</b>	<u>6,925,000</u>	<u>7,409,151</u>	<u>484,151</u>	<u>6,648,166</u>
<b>Intergovernmental</b>				
Personal property replacement tax	10,000	70,784	60,784	68,856
State income tax	1,500,000	1,629,418	129,418	1,621,408
IDOT grant	76,859	91,340	14,481	59,718
<b>TOTALS</b>	<u>1,586,859</u>	<u>1,791,542</u>	<u>204,683</u>	<u>1,749,982</u>
<b>License, permits and fees</b>				
Ambulance service	290,000	505,706	215,706	195,229
Refuse fees	200,000	216,646	16,646	216,906
Business regulation fees	110,000	112,214	2,214	115,233
Liquor license fees	50,000	38,200	(11,800)	52,150
Vending machine fees	20,000	22,200	2,200	20,575
Vehicle tags	210,000	209,826	(174)	214,606
Building permits	105,000	155,659	50,659	106,770
Other licenses and permits	176,030	199,831	23,801	185,437
<b>TOTALS</b>	<u>1,161,030</u>	<u>1,460,282</u>	<u>299,252</u>	<u>1,106,906</u>
Fines, forfeitures and penalties	355,000	599,256	244,256	413,065
Investment income	1,000	870	(130)	1,297
Fest income	270,000	231,120	(38,880)	279,601
Other	117,700	432,517	314,817	284,538
Commuter parking	-	30,878	30,878	33,447
Vehicle fuel	370,000	406,948	36,948	401,307
<b>TOTAL REVENUES</b>	<u>\$ 13,111,589</u>	<u>\$ 14,893,023</u>	<u>\$ 1,781,434</u>	<u>\$ 13,356,785</u>

## VILLAGE OF CHICAGO RIDGE

**DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -**  
**GENERAL FUND - NONGAAP BUDGETARY BASIS**  
 For the Year Ended December 31, 2014  
 With Comparative Actual Amounts for the Year Ended December 31, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
<b>Expenditures</b>				
Village board/administration				
Personnel services	\$ 244,145	\$ 243,714	\$ 431	\$ 274,509
Other charges	224,500	256,191	(31,691)	224,957
Insurance	<u>1,210,806</u>	<u>1,241,749</u>	<u>(30,943)</u>	<u>1,208,018</u>
Total Village board/administration	<u>1,679,451</u>	<u>1,741,654</u>	<u>(62,203)</u>	<u>1,707,484</u>
Village hall				
Personnel services	434,500	432,576	1,924	426,993
Contractual services	53,575	70,495	(16,920)	49,910
Materials and supplies	75,500	84,194	(8,694)	35,004
Other charges	33,350	35,412	(2,062)	28,655
Utilities	<u>19,300</u>	<u>21,929</u>	<u>(2,629)</u>	<u>19,204</u>
Total Village hall	<u>616,225</u>	<u>644,606</u>	<u>(28,381)</u>	<u>559,766</u>
Buildings and grounds				
Personnel services	-	-	-	75,783
Materials and supplies	-	-	-	61,753
Utilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,549</u>
Total Buildings and grounds	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,085</u>
Health department				
Personnel services	15,600	15,300	300	15,300
Contractual services	<u>35,500</u>	<u>38,710</u>	<u>(3,210)</u>	<u>34,997</u>
Total Health department	<u>51,100</u>	<u>54,010</u>	<u>(2,910)</u>	<u>50,297</u>
Licensing/building department				
Personnel services	122,373	125,287	(2,914)	133,229
Contractual services	3,620	4,756	(1,136)	3,565
Materials and supplies	9,500	11,610	(2,110)	9,331
Other charges	<u>2,700</u>	<u>1,962</u>	<u>738</u>	<u>1,350</u>
Total Licensing/building department	<u>138,193</u>	<u>143,615</u>	<u>(5,422)</u>	<u>147,475</u>
Planning and zoning department				
Personnel services	15,180	14,561	619	13,135
Materials and supplies	300	296	4	924
Other charges	<u>600</u>	<u>1,202</u>	<u>(602)</u>	<u>463</u>
Total Planning and zoning department	<u>16,080</u>	<u>16,059</u>	<u>21</u>	<u>14,522</u>

## VILLAGE OF CHICAGO RIDGE

**DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -**  
**GENERAL FUND - NONGAAP BUDGETARY BASIS**  
 For the Year Ended December 31, 2014  
 With Comparative Actual Amounts for the Year Ended December 31, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
<b>Police and fire commission</b>				
Personnel services	\$ 11,686	\$ 11,457	\$ 229	\$ 11,457
Contractual services	10,600	9,088	1,512	2,705
Materials and supplies	400	251	149	44
Other charges	<u>4,850</u>	<u>3,805</u>	<u>1,045</u>	<u>4,419</u>
Total Police and fire commission	<u>27,536</u>	<u>24,601</u>	<u>2,935</u>	<u>18,625</u>
<b>Professional services department</b>				
Contractual services	645,000	696,479	(51,479)	609,147
Other charges	<u>500</u>	<u>18</u>	<u>482</u>	<u>480</u>
Total Professional services department	<u>645,500</u>	<u>696,497</u>	<u>(50,997)</u>	<u>609,627</u>
<b>Special events department</b>				
Personnel services	4,500	2,662	1,838	4,228
Contractual services	357,500	430,357	(72,857)	336,295
Other charges	<u>5,000</u>	<u>3,124</u>	<u>1,876</u>	<u>11,431</u>
Total Special events department	<u>367,000</u>	<u>436,143</u>	<u>(69,143)</u>	<u>351,954</u>
<b>Police department</b>				
Personnel services	3,388,811	3,372,766	16,045	3,218,775
Contractual services	350,600	359,028	(8,428)	343,070
Materials and supplies	188,000	208,017	(20,017)	157,287
Other charges	70,542	91,102	(20,560)	84,988
Insurance	628,040	680,402	(52,362)	622,613
Utilities	<u>22,300</u>	<u>24,067</u>	<u>(1,767)</u>	<u>20,503</u>
Total Police department	<u>4,648,293</u>	<u>4,735,382</u>	<u>(87,089)</u>	<u>4,447,236</u>
<b>Fire department</b>				
Personnel services	1,683,459	1,780,972	(97,513)	1,753,998
Contractual services	86,300	86,874	(574)	74,190
Materials and supplies	151,500	147,084	4,416	129,505
Other charges	54,450	43,508	10,942	45,168
Insurance	611,643	678,900	(67,257)	627,060
Utilities	<u>17,100</u>	<u>18,770</u>	<u>(1,670)</u>	<u>15,924</u>
Total Fire department	<u>2,604,452</u>	<u>2,756,108</u>	<u>(151,656)</u>	<u>2,645,845</u>

## VILLAGE OF CHICAGO RIDGE

**DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -**  
**GENERAL FUND - NONGAAP BUDGETARY BASIS**  
**For the Year Ended December 31, 2014**  
**With Comparative Actual Amounts for the Year Ended December 31, 2013**

	2014			2013 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
<b>EMA department</b>				
Personnel services	\$ 54,000	\$ 44,683	\$ 9,317	\$ 30,994
Contractual services	170	567	(397)	205
Materials and supplies	11,000	25,173	(14,173)	11,316
Utilities	6,400	9,697	(3,297)	6,067
Total EMA department	<u>71,570</u>	<u>80,120</u>	<u>(8,550)</u>	<u>48,582</u>
<b>Street department</b>				
Personnel services	317,265	287,822	29,443	232,485
Contractual services	60,650	75,293	(14,643)	48,239
Materials and supplies	90,000	114,224	(24,224)	89,009
Other charges	2,000	1,688	312	1,758
Insurance	124,853	122,002	2,851	111,571
Utilities	29,000	35,783	(6,783)	30,160
Total Street department	<u>623,768</u>	<u>636,812</u>	<u>(13,044)</u>	<u>513,222</u>
<b>Refuse department</b>				
Contractual services	<u>455,122</u>	<u>455,409</u>	<u>(287)</u>	<u>440,905</u>
Total Refuse department	<u>455,122</u>	<u>455,409</u>	<u>(287)</u>	<u>440,905</u>
<b>Community Development</b>				
Community development	<u>60,000</u>	<u>223,856</u>	<u>(163,856)</u>	<u>37,920</u>
Total Community Development	<u>60,000</u>	<u>223,856</u>	<u>(163,856)</u>	<u>37,920</u>
<b>Capital outlay</b>				
Capital outlay	<u>560,000</u>	<u>415,592</u>	<u>144,408</u>	<u>377,226</u>
Total capital outlay	<u>560,000</u>	<u>415,592</u>	<u>144,408</u>	<u>377,226</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 12,564,290</u>	<u>\$ 13,060,464</u>	<u>\$ (496,174)</u>	<u>\$ 12,113,771</u>

**VILLAGE OF CHICAGO RIDGE**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
As of December 31, 2014**

	<u>Motor Fuel Tax</u>	<u>Community Development</u>	<u>Ridgeland TIF Fund</u>	<u>Special Assessment No. 28</u>	<u>Special Assessment No. 33</u>
<b>ASSETS</b>					
Cash	\$ -	\$ 82,268	\$ 68,117	\$ 939	\$ 1,134
Investments	188,754	-	-	-	-
Receivables					
Property taxes			79,237		
Other					
intergovernmental	<u>36,023</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 224,777</u></u>	<u><u>\$ 82,268</u></u>	<u><u>\$ 147,354</u></u>	<u><u>\$ 939</u></u>	<u><u>\$ 1,134</u></u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities					
Accounts Payable	\$ -	\$ -	\$ 22,628	\$ -	\$ -
Due to other funds	<u>-</u>	<u>101,145</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>101,145</u>	<u>22,628</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Property taxes levied for a future period	<u>-</u>	<u>-</u>	<u>79,237</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>79,237</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit)					
Restricted	224,777	-	45,489	939	1,134
Unassigned	<u>-</u>	<u>(18,877)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances (deficit) (Deficit)	<u>224,777</u>	<u>(18,877)</u>	<u>45,489</u>	<u>939</u>	<u>1,134</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><u>\$ 224,777</u></u>	<u><u>\$ 82,268</u></u>	<u><u>\$ 147,354</u></u>	<u><u>\$ 939</u></u>	<u><u>\$ 1,134</u></u>

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Total  
Nonmajor  
Governmental  
Funds

\$ 152,458  
188,754  
79,237  
36,023  
\$ 456,472

\$ 22,628  
101,145  
123,773

79,237

79,237

272,339  
(18,877)  
253,462

\$ 456,472

**VILLAGE OF CHICAGO RIDGE**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2014

	Motor Fuel Tax	Community Development	Ridgeland TIF Fund	Special Assessment No. 28	Special Assessment No. 33
<b>REVENUES</b>					
Property taxes	\$ -	\$ -	\$ 79,237	\$ -	\$ -
Motor fuel tax allotments	477,074	-	-	-	-
Investment income	31	-	40	-	-
Total Revenues	<u>477,105</u>	<u>-</u>	<u>79,277</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>					
Current					
Street department	42,359	-	-	-	-
TIF area development	-	-	34,400	-	-
Debt Service					
Interest and fees	-	-	50,082	-	-
Total Expenditures	<u>42,359</u>	<u>-</u>	<u>84,482</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>434,746</u>	<u>-</u>	<u>(5,205)</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	(350,000)	-	-	-	-
Total Other Financing Sources (Uses)	<u>(350,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	84,746	-	(5,205)	-	-
<b>FUND BALANCES (DEFICIT)</b>					
- Beginning of Year	<u>140,031</u>	<u>(18,877)</u>	<u>50,694</u>	<u>939</u>	<u>1,134</u>
<b>FUND BALANCES (DEFICIT) - END OF YEAR</b>	<u>\$ 224,777</u>	<u>\$ (18,877)</u>	<u>\$ 45,489</u>	<u>\$ 939</u>	<u>\$ 1,134</u>

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Total  
Nonmajor  
Governmental  
Funds

\$ 79,237  
477,074  
71  
556,382

42,359  
34,400

50,082  
126,841

429,541

(350,000)

(350,000)

79,541

173,921

\$ 253,462

## VILLAGE OF CHICAGO RIDGE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - MOTOR FUEL TAX FUND  
For the Year Ended December 31, 2014  
With Comparative Actual Amounts for the Year Ended December 31, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
<b>REVENUES</b>				
Motor fuel tax allotments	\$ 400,000	\$ 477,074	\$ 77,074	\$ 411,359
Investment income	100	31	(69)	72
Total Revenues	<u>400,100</u>	<u>477,105</u>	<u>77,005</u>	<u>411,431</u>
<b>EXPENDITURES</b>				
<b>STREET DEPARTMENT</b>				
Snow and ice control	53,060	42,359	10,701	48,719
Total Expenditures	<u>53,060</u>	<u>42,359</u>	<u>10,701</u>	<u>48,719</u>
Excess of revenues over expenditures	<u>347,040</u>	<u>434,746</u>	<u>87,706</u>	<u>362,712</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(350,000)	(350,000)	-	(400,000)
Total Other Financing Sources (Uses)	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>	<u>(400,000)</u>
Net Change in Fund Balance	<u>\$ (2,960)</u>	84,746	<u>\$ 87,706</u>	(37,288)
FUND BALANCE - Beginning of Year		<u>140,031</u>		<u>177,319</u>
FUND BALANCE - END OF YEAR		<u>\$ 224,777</u>		<u>\$ 140,031</u>

## VILLAGE OF CHICAGO RIDGE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT FUND**  
**For the Year Ended December 31, 2014**  
**With Comparative Actual Amounts for the Year Ended December 31, 2013**

	2014			2013 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
<b>REVENUES</b>				
Community development grant	\$ 200,000	\$ -	\$ (200,000)	\$ 302,268
Total Revenues	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>	<u>302,268</u>
<b>EXPENDITURES</b>				
<b>CAPITAL OUTLAY</b>				
Capital outlay	200,000	-	200,000	292,376
Total Expenditures	<u>200,000</u>	<u>-</u>	<u>200,000</u>	<u>292,376</u>
 Net Change in Fund Balance	 <u>\$ -</u>	 -	 <u>\$ -</u>	 9,892
 FUND BALANCE (DEFICIT) - Beginning of Year		 <u>(18,877)</u>		 <u>(28,769)</u>
 FUND BALANCE (DEFICIT) - END OF YEAR		 <u>\$ (18,877)</u>		 <u>\$ (18,877)</u>

## VILLAGE OF CHICAGO RIDGE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL - RIDGELAND TIF FUND**  
**For the Year Ended December 31, 2014**  
**With Comparative Actual Amounts for the Year Ended December 31, 2013**

	2014			2013 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
<b>REVENUES</b>				
Property Taxes - Ridgeland TIF	\$ 100,000	\$ 79,237	\$ (20,763)	\$ 60,581
Investment income	70	40	(30)	71
Total Revenues	<u>100,070</u>	<u>79,277</u>	<u>(20,793)</u>	<u>60,652</u>
<b>EXPENDITURES</b>				
<b>TIF AREA DEVELOPMENT</b>				
Community development	34,500	34,400	100	29,631
Total TIF Area development	<u>34,500</u>	<u>34,400</u>	<u>100</u>	<u>29,631</u>
<b>DEBT SERVICE</b>				
Interest and fees	55,000	50,082	4,918	102,960
Total debt service	<u>55,000</u>	<u>50,082</u>	<u>4,918</u>	<u>102,960</u>
Total Expenditures	<u>89,500</u>	<u>84,482</u>	<u>5,018</u>	<u>132,591</u>
Net Change in Fund Balance	<u>\$ 10,570</u>	(5,205)	<u>\$ (15,775)</u>	(71,939)
FUND BALANCE - Beginning of Year		<u>50,694</u>		<u>122,633</u>
FUND BALANCE - END OF YEAR		<u>\$ 45,489</u>		<u>\$ 50,694</u>

## VILLAGE OF CHICAGO RIDGE

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BOND AND INTEREST FUND For the Year Ended December 31, 2014

With Comparative Actual Amounts for the Year Ended December 31, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
<b>REVENUES</b>				
Investment income	\$ 150	\$ 31	\$ (119)	\$ 182
Total Revenues	<u>150</u>	<u>31</u>	<u>(119)</u>	<u>182</u>
<b>EXPENDITURES</b>				
<b>DEBT SERVICE</b>				
Principal	575,278	390,000	185,278	375,000
Interest and fees	<u>1,500</u>	<u>186,863</u>	<u>(185,363)</u>	<u>198,863</u>
Total Expenditures	<u>576,778</u>	<u>576,863</u>	<u>(85)</u>	<u>573,863</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(576,628)</u>	<u>(576,832)</u>	<u>(204)</u>	<u>(573,681)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>575,278</u>	<u>575,278</u>	-	<u>572,278</u>
Total Other Financing Sources	<u>575,278</u>	<u>575,278</u>	-	<u>572,278</u>
Net Change in Fund Balance	<u>\$ (1,350)</u>	(1,554)	<u>\$ (204)</u>	(1,403)
FUND BALANCE - Beginning of Year		<u>7,155</u>		<u>8,558</u>
FUND BALANCE - END OF YEAR		<u>\$ 5,601</u>		<u>\$ 7,155</u>

## VILLAGE OF CHICAGO RIDGE

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL IMPROVEMENTS FUND

For the Year Ended December 31, 2014

With Comparative Actual Amounts for the Year Ended December 31, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance with Final Budget	
<b>REVENUES</b>				
Franchise fees	\$ 190,000	\$ 200,486	\$ 10,486	\$ 189,848
Illinois grants	100,000	289,533	189,533	72,717
Investment income	750	431	(319)	967
Other	<u>7,500</u>	<u>23,243</u>	<u>15,743</u>	<u>7,493</u>
Total Revenues	<u>298,250</u>	<u>513,693</u>	<u>215,443</u>	<u>271,025</u>
<b>EXPENDITURES</b>				
<b>CAPITAL OUTLAY</b>				
Capital outlay	<u>523,000</u>	<u>447,498</u>	<u>75,502</u>	<u>186,853</u>
Total Expenditures	<u>523,000</u>	<u>447,498</u>	<u>75,502</u>	<u>186,853</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(224,750)</u>	<u>66,195</u>	<u>290,945</u>	<u>84,172</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	200,000	408,053	208,053	100,000
Sales of fixed assets	<u>-</u>	<u>245,000</u>	<u>245,000</u>	<u>-</u>
Total Other Financing Sources	<u>200,000</u>	<u>653,053</u>	<u>453,053</u>	<u>100,000</u>
Net Change in Fund Balance	<u>\$ (24,750)</u>	719,248	<u>\$ 743,998</u>	184,172
FUND BALANCE - Beginning of Year		<u>3,330,940</u>		<u>3,146,768</u>
FUND BALANCE - END OF YEAR		<u>\$ 4,050,188</u>		<u>\$ 3,330,940</u>

**VILLAGE OF CHICAGO RIDGE**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
PENSION TRUST FUNDS  
As of December 31, 2014**

	Police Pension	Firefighters' Pension	Total
<b>ASSETS</b>			
Cash	\$ 66,674	\$ 3,945	\$ 70,619
Investments			
Certificates of deposit	-	608,520	608,520
Money markets	1,206,187	1,326,497	2,532,684
U.S. government and agency obligations	4,641,542	248,354	4,889,896
Mutual funds	9,263,734	3,049,827	12,313,561
Corporate bonds	1,375,373	2,097,665	3,473,038
Equity securities	-	762,910	762,910
Insurance company contracts	-	2,216,226	2,216,226
Receivables			
Accrued interest	43,293	380	43,673
Other assets	1,517	372	1,889
Total Assets	16,598,320	10,314,696	26,913,016
<b>LIABILITIES</b>			
Accounts payable	41,250	17,647	58,897
Total Liabilities	41,250	17,647	58,897
<b>NET POSITION</b>			
Held in trust for pension benefits	\$ 16,557,070	\$ 10,297,049	\$ 26,854,119

## VILLAGE OF CHICAGO RIDGE

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION TRUST FUNDS For the Year Ended December 31, 2014

	Police Pension	Firefighters' Pension	Total
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 1,635,483	\$ 618,952	\$ 2,254,435
Plan members	254,381	119,105	373,486
Total Contributions	1,889,864	738,057	2,627,921
Investment income			
Investment income	1,131,882	132,215	1,264,097
Net appreciation (depreciation) in fair value of investments	(268,907)	299,827	30,920
Total Investment Income	862,975	432,042	1,295,017
Less Interest expense	29,128	61,683	90,811
Net Investment Income	833,847	370,359	1,204,206
Total Additions	2,723,711	1,108,416	3,832,127
<b>DEDUCTIONS</b>			
Administration	186,619	28,469	215,088
Benefits	1,353,794	426,374	1,780,168
Total Deductions	1,540,413	454,843	1,995,256
 <b>Change in Net Position</b>	 1,183,298	 653,573	 1,836,871
NET POSITION - Beginning of Year	15,373,772	9,643,476	25,017,248
 <b>NET POSITION, END OF YEAR</b>	 \$ 16,557,070	 \$ 10,297,049	 \$ 26,854,119

# VILLAGE OF CHICAGO RIDGE

## ALL AGENCY FUNDS SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES For the Year Ended December 31, 2014

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	Balance December 31, 2013	Additions	Deletions	Balance December 31, 2014
<b>ASSETS</b>				
Cash	\$ 28,211	\$ 10	\$ 13,901	\$ 14,320
Investments	1,329	3,063	-	4,392
Due from primary government	54,156	-	3,063	51,093
Due from water fund	-	13,901	-	13,901
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 83,696</u>	<u>\$ 16,974</u>	<u>\$ 16,964</u>	<u>\$ 83,706</u>
<b>LIABILITIES</b>				
Restoration, sewer, landscaping, driveway, paving and street deposits payable	<u>\$ 83,696</u>	<u>\$ 16,974</u>	<u>\$ 16,964</u>	<u>\$ 83,706</u>
Total Liabilities	<u>\$ 83,696</u>	<u>\$ 16,974</u>	<u>\$ 16,964</u>	<u>\$ 83,706</u>

## VILLAGE OF CHICAGO RIDGE

### DEBT SERVICE REQUIREMENTS

GENERAL OBLIGATION FIRE STATION PROJECT BOND ISSUE DATED AUGUST 15, 2008

As of and for the Year Ended December 31, 2014

Year	Rate	Principal			Interest Due	Total Debt Service Requirements
		Issued	Paid	Outstanding		
2015	3.65%	\$ 405,000	\$ -	\$ 405,000	\$ 171,822	\$ 576,822
2016	3.75%	420,000	-	420,000	157,040	577,040
2017	3.85%	435,000	-	435,000	141,290	576,290
2018	4.00%	450,000	-	450,000	124,543	574,543
2019	4.00%	470,000	-	470,000	106,543	576,543
2020	4.20%	485,000	-	485,000	87,742	572,742
2021	4.25%	505,000	-	505,000	67,373	572,373
2022	4.20%	530,000	-	530,000	45,910	575,910
2023	4.30%	550,000	-	550,000	23,650	573,650
<b>Total</b>		<b>\$ 4,250,000</b>	<b>\$ -</b>	<b>\$ 4,250,000</b>	<b>\$ 925,913</b>	<b>\$ 5,175,913</b>

Principal payable - December 1  
Interest payable - June 1 and December 1

## VILLAGE OF CHICAGO RIDGE

ADDITIONAL DISCLOSURE REQUIRED BY SEC RULE 15C2-12  
REQUIRED INFORMATION FOR CONTINUING DISCLOSURE UNDERTAKING  
As of and for the Year Ended December 31, 2014

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**General Obligation Corporate Purpose Bond and Series 2008:**

**1. Equalized Assessed Valuations by Classification of Property**

Included in audited financial statements.

**2. Schedule of Tax Rates, Extensions and Collections**

Included in audited financial statements.

**3. Representative Property Tax Rates:**

Included in audited financial statements.

**4. Largest Tax Payers:**

Included in audited financial statements.

**5. Debt Structure:**

Included in audited financial statements.

## VILLAGE OF CHICAGO RIDGE

**ADDITIONAL DISCLOSURE REQUIRED BY SEC RULE 15C2-12**  
**REQUIRED INFORMATION FOR CONTINUING DISCLOSURE UNDERTAKING**  
 As of and for the Year Ended December 31, 2014

**General Obligation Corporate Purpose Bond and Series 2008:**

**6. Estimated Overlapping General Obligation Bonded Debt:**

<u>Overlapping Agencies</u>	<u>Outstanding Debt as of 12/31/14</u>	<u>Applicable Percentage</u>	<u>Amount</u>
Cook County	\$3,466,976,750	0.233%	\$ 8,078,056
Cook County Forest Preserve	118,610,000	0.233%	276,361
Metropolitan Water Reclamation District	2,422,619,005	0.237%	5,741,607
Chicago Ridge Park District	334,880	100.000%	334,880
School District #122	48,109,721	31.275%	15,046,315
School District #127	2,646,975	9.132%	241,722
School District #127 1/2	5,085,000	83.779%	4,260,162
Community High School District #218	29,293,171	9.134%	2,675,638
Community High School District #229	4,940,000	11.809%	583,365
Moraine Valley Community College District #524	70,955,000	3.150%	<u>2,235,083</u>
 Total Overlapping General Obligation Bonded Debt			 39,473,189
 Village of Chicago Ridge			 <u>4,250,000</u>
 Total Direct and Overlapping General Obligation Bonded Debt			 <u>\$ 43,723,189</u>
 Estimated Population		14,450	
2013 EAV		\$ 292,819,359	
2013 Market Value		\$ 878,458,077	
Per Capita Direct and Overlapping Debt		\$ 3,026	
Percent of Direct and Overlapping Debt to EAV		14.93%	
Percent of Direct and Overlapping Debt to Market Value		4.98%	

**7. Future Financing:**

The Village does not anticipate issuing any additional debt in the next twelve months.

**8. Short Term Debt:**

The Village has no tax anticipation notes or warrants outstanding.

**9. Debt Payment History:**

The Village has no record of default and has met its debt repayment obligations promptly.

# Statistical Section

This part of the Government's 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 Government's overall financial health.

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the Government's financial performance and well-being have changed over time.	95 - 106
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the Government's most significant local revenue source, the property tax.	107 - 118
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the Government's current levels of outstanding debt and the Government's ability to issue additional debt in the future.	119 - 122
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within the Government's financial activities take place.	123 - 125
<b>Operating Information</b> These schedules contain information about the Government's service and resources to help the reader understand how the Government's financial information relates to the services the Government provides and the activities it performs.	126 - 128

## VILLAGE OF CHICAGO RIDGE

### NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING) As of December 31, 2014

	2005	2006	2007	2008
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 9,745,576	\$ 11,624,942	\$ 12,754,922	\$ 14,424,667
Restricted	1,103,511	933,131	648,664	218,717
Unrestricted	<u>12,990,934</u>	<u>12,102,316</u>	<u>9,870,647</u>	<u>8,567,417</u>
<b>Total Governmental Activities net position</b>	<b><u>\$ 23,840,021</u></b>	<b><u>\$ 24,660,389</u></b>	<b><u>\$ 23,274,233</u></b>	<b><u>\$ 23,210,801</u></b>
<b>Business-type Activities</b>				
Net investment in capital assets	\$ 4,531,761	\$ 4,416,809	\$ 4,267,745	\$ 4,120,919
Unrestricted	<u>1,568,724</u>	<u>1,659,057</u>	<u>1,598,875</u>	<u>1,053,959</u>
<b>Total Business-type Activities net position</b>	<b><u>\$ 6,100,485</u></b>	<b><u>\$ 6,075,866</u></b>	<b><u>\$ 5,866,620</u></b>	<b><u>\$ 5,174,878</u></b>
<b>Total Government</b>				
Net investment in capital assets	\$ 14,277,337	\$ 16,041,751	\$ 17,022,667	\$ 18,545,586
Restricted	1,103,511	933,131	648,664	218,717
Unrestricted	<u>14,559,658</u>	<u>13,761,373</u>	<u>11,469,522</u>	<u>9,621,376</u>
<b>Total Government net position</b>	<b><u>\$ 29,940,506</u></b>	<b><u>\$ 30,736,255</u></b>	<b><u>\$ 29,140,853</u></b>	<b><u>\$ 28,385,679</u></b>

2009	2010	2011	2012	2013	2014
\$ 15,782,947	\$ 16,858,053	\$ 17,618,030	\$ 17,912,401	\$ 18,006,682	\$ 18,136,127
194,834	128,170	275,561	302,046	192,805	272,343
<u>4,904,995</u>	<u>1,559,443</u>	<u>1,748,546</u>	<u>1,144,108</u>	<u>1,833,247</u>	<u>3,350,891</u>
<u>\$ 20,882,776</u>	<u>\$ 18,545,666</u>	<u>\$ 19,642,137</u>	<u>\$ 19,358,555</u>	<u>\$ 20,032,734</u>	<u>\$ 21,759,361</u>
\$ 3,976,611	\$ 4,190,218	\$ 4,630,393	\$ 5,447,023	\$ 6,086,481	\$ 6,148,473
<u>1,331,827</u>	<u>1,743,523</u>	<u>1,916,642</u>	<u>1,676,314</u>	<u>1,672,609</u>	<u>1,769,834</u>
<u>\$ 5,308,438</u>	<u>\$ 5,933,741</u>	<u>\$ 6,547,035</u>	<u>\$ 7,123,337</u>	<u>\$ 7,759,090</u>	<u>\$ 7,918,307</u>
\$ 19,759,558	\$ 21,048,271	\$ 22,248,423	\$ 23,359,424	\$ 24,093,163	\$ 24,284,600
194,834	128,170	275,561	302,046	192,805	272,343
<u>6,236,822</u>	<u>3,302,966</u>	<u>3,665,188</u>	<u>2,820,422</u>	<u>3,505,856</u>	<u>5,120,725</u>
<u>\$ 26,191,214</u>	<u>\$ 24,479,407</u>	<u>\$ 26,189,172</u>	<u>\$ 26,481,892</u>	<u>\$ 27,791,824</u>	<u>\$ 29,677,668</u>

## VILLAGE OF CHICAGO RIDGE

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
For the Year Ended December 31, 2014

	2005	2006	2007	2008
<b>EXPENSES</b>				
<b>Governmental Activities</b>				
Village board/administration	\$ 2,195,253	\$ 2,051,072	\$ 2,214,520	\$ 2,216,015
Village Hall	733,207	762,505	781,401	814,099
Buildings and grounds	125,769	127,250	134,260	149,349
Health department	49,960	47,348	46,204	45,570
Licensing/building department	120,953	146,237	218,966	186,558
Planning and zoning department	16,129	15,468	14,926	13,677
Police and fire commission	18,268	18,142	18,959	21,241
Professional services department	402,349	463,836	431,661	499,815
Special events department	311,750	303,266	380,217	398,837
Police department	4,542,111	4,852,807	5,382,670	5,613,119
Fire department	2,783,743	2,707,628	3,253,107	3,519,358
EMA department	61,262	54,143	55,975	47,060
Youth service bureau department	89,989	92,261	96,387	102,922
Street department	852,252	845,515	876,618	1,018,495
Refuse department	264,619	322,636	293,325	324,625
TIF area development	1,797,913	2,592,941	4,112,334	1,805,122
Interest and fees	317,271	225,380	243,279	433,723
Amortization of deferred charges	25,371	24,441	29,934	35,535
Unallocated depreciation (excludes direct depreciation expenses)	<u>90,192</u>	<u>95,195</u>	<u>100,791</u>	<u>118,897</u>
Total governmental activities expenses	<u>14,798,361</u>	<u>15,748,071</u>	<u>18,685,534</u>	<u>17,364,017</u>
<b>Business-type Activities</b>				
Water	1,519,268	1,510,531	1,672,168	2,337,541
Sewer	201,215	218,458	204,486	208,149
Interest and fees	6,794	1,776		
Unallocated depreciation (excludes direct depreciation expenses)	<u>100,925</u>	<u>100,925</u>	<u>100,925</u>	<u>100,925</u>
Total Business-type Activities	<u>1,828,202</u>	<u>1,831,690</u>	<u>1,977,579</u>	<u>2,646,615</u>
Total government expenses	<u>\$ 16,626,563</u>	<u>\$ 17,579,761</u>	<u>\$ 20,663,113</u>	<u>\$ 20,010,632</u>

	2009	2010	2011	2012	2013	2014
\$	1,924,360	\$ 1,640,831	\$ 1,611,607	\$ 1,815,308	\$ 1,719,211	\$ 1,799,211
	754,861	686,639	672,540	764,665	711,162	805,997
	155,269	167,389	154,510	153,589	147,273	5,061
	44,327	54,346	43,326	45,391	50,579	54,241
	187,401	162,733	163,025	179,423	154,905	149,334
	16,507	15,394	15,205	17,057	14,764	16,279
	19,711	43,504	19,739	23,537	18,625	24,601
	564,395	532,281	574,588	590,991	609,627	696,497
	398,080	348,062	366,469	366,915	351,954	436,143
	5,940,674	5,895,959	5,710,680	5,974,776	6,507,922	6,871,560
	3,631,591	3,519,471	3,671,863	3,754,681	3,624,807	3,760,936
	52,317	52,688	47,320	43,149	48,794	77,485
	75,652	4,728	-	-	-	-
	869,637	786,388	693,730	537,536	657,538	721,302
	335,090	353,045	438,215	425,125	440,905	455,409
	3,929,485	1,017,268	112,523	98,717	67,551	258,256
	496,203	464,193	197,068	330,314	247,945	230,805
	37,644	33,151	54,100	9,557	54,378	-
	<u>134,278</u>	<u>125,663</u>	<u>127,986</u>	<u>130,419</u>	<u>133,875</u>	<u>133,978</u>
	<u>19,567,482</u>	<u>15,903,733</u>	<u>14,674,494</u>	<u>15,261,150</u>	<u>15,561,815</u>	<u>16,497,095</u>
	1,871,750	1,917,740	1,965,123	2,354,619	2,177,931	2,540,412
	299,098	264,250	239,099	269,429	289,406	298,038
	-	-	-	-	-	-
	<u>100,925</u>	<u>103,124</u>	<u>106,766</u>	<u>114,385</u>	<u>120,558</u>	<u>120,558</u>
	<u>2,271,773</u>	<u>2,285,114</u>	<u>2,310,988</u>	<u>2,738,433</u>	<u>2,587,895</u>	<u>2,959,008</u>
\$	<u>21,839,255</u>	<u>18,188,847</u>	<u>16,985,482</u>	<u>17,999,583</u>	<u>18,149,710</u>	<u>19,456,103</u>

## VILLAGE OF CHICAGO RIDGE

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
For the Year Ended December 31, 2014

	2005	2006	2007	2008
<b>PROGRAM REVENUES</b>				
Governmental Activities				
Charges for Services				
Village board/administration	\$ 42,234	\$ 40,775	\$ 52,265	\$ 110,600
Village hall	330,247	465,283	413,943	400,450
Licensing/building department	112,507	203,933	258,237	118,831
Police and fire commission	-	-	-	-
Special events department	287,246	219,412	360,876	335,780
Police department	251,590	239,466	346,272	451,523
Fire department	231,247	246,368	249,764	251,326
Street department	25,427	26,262	34,462	-
Refuse department	85,646	80,507	82,212	81,781
Operating grants and contributions	447,950	419,289	415,205	404,265
Capital grants and contributions	150,326	275,883	152,355	318,641
Total governmental activities				
program revenues	<u>1,964,420</u>	<u>2,217,178</u>	<u>2,365,591</u>	<u>2,473,197</u>
Business-type activities				
Charges for Services				
Water	1,604,380	1,563,070	1,510,008	1,704,234
Sewer	203,174	197,212	204,897	217,299
Capital grants and contributions	-	-	-	-
Total Business-type activities				
program revenues	<u>1,807,554</u>	<u>1,760,282</u>	<u>1,714,905</u>	<u>1,921,533</u>
Total government				
program revenues	<u>\$ 3,771,974</u>	<u>\$ 3,977,460</u>	<u>\$ 4,080,496</u>	<u>\$ 4,394,730</u>
Net (expense)/revenue				
Governmental activities	\$ (12,833,941)	\$ (13,530,893)	\$ (16,319,943)	\$ (14,890,820)
Business-type activities	(20,648)	(71,408)	(262,674)	(725,082)
Total Government net expense	<u>\$ (12,854,589)</u>	<u>\$ (13,602,301)</u>	<u>\$ (16,582,617)</u>	<u>\$ (15,615,902)</u>

	2009	2010	2011	2012	2013	2014
\$	133,767	\$ 111,731	\$ 113,811	\$ 133,401	\$ 118,762	\$ 123,048
	451,933	529,789	604,956	568,618	577,307	578,373
	194,195	259,356	212,979	213,462	222,003	267,873
	14,750	144,550	154,250	114,350	90,000	-
	321,630	254,690	349,346	257,020	279,601	299,205
	256,715	330,318	329,057	249,162	323,065	599,256
	286,459	310,980	302,297	226,382	195,223	505,706
	81,903	106,912	169,198	214,533	216,906	216,646
	510,955	629,239	436,816	415,997	484,076	766,607
	147,568	377,129	817,090	286,526	352,094	91,340
	<u>2,399,875</u>	<u>3,054,694</u>	<u>3,489,800</u>	<u>2,679,451</u>	<u>2,859,037</u>	<u>3,448,054</u>
	2,034,354	2,142,157	2,158,960	2,400,986	2,545,354	2,729,768
	354,732	395,797	385,654	393,117	375,812	386,742
	-	-	-	20,000	-	-
	<u>2,389,086</u>	<u>2,537,954</u>	<u>2,544,614</u>	<u>2,814,103</u>	<u>2,921,166</u>	<u>3,116,510</u>
\$	<u>4,788,961</u>	<u>5,592,648</u>	<u>6,034,414</u>	<u>5,493,554</u>	<u>5,780,203</u>	<u>6,564,564</u>
\$	(17,167,607)	(12,849,039)	(11,184,694)	(12,581,699)	(12,702,778)	(13,049,041)
	117,313	252,840	233,626	75,670	333,271	157,502
\$	<u>(17,050,294)</u>	<u>(12,596,199)</u>	<u>(10,951,068)</u>	<u>(12,506,029)</u>	<u>(12,369,507)</u>	<u>(12,891,539)</u>

**VILLAGE OF CHICAGO RIDGE**

CHANGES IN NET POSITION  
 LAST TEN FISCAL YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)  
 For the Year Ended December 31, 2014

	2005	2006	2007	2008
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>				
<b>Governmental Activities</b>				
Property taxes	\$5,340,748	\$ 6,163,429	\$ 5,740,176	\$ 6,082,805
Other taxes				
Sales	6,103,475	6,041,529	5,995,324	6,059,095
Telecommunication	560,722	574,055	562,346	526,652
Food & beverage	-	-	-	-
Other taxes	-	-	-	-
Intergovernmental				
State income tax	1,050,358	1,237,729	1,350,271	1,450,397
Personal property replacement tax	44,889	61,752	66,300	78,367
Interest income	146,776	345,133	575,132	576,238
Other	224,761	89,870	61,712	160,233
Transfers	-	-	-	-
<b>Total governmental activities</b>	<b><u>13,471,729</u></b>	<b><u>14,513,497</u></b>	<b><u>14,351,261</u></b>	<b><u>14,933,787</u></b>
<b>Business-type activities</b>				
Interest income	21,486	22,866	46,789	53,428
Transfers	-	-	-	-
<b>Total business-type activities</b>	<b><u>21,486</u></b>	<b><u>22,866</u></b>	<b><u>46,789</u></b>	<b><u>53,428</u></b>
<b>Total government</b>	<b><u>\$ 13,493,215</u></b>	<b><u>\$ 14,536,363</u></b>	<b><u>\$ 14,398,050</u></b>	<b><u>\$ 14,987,215</u></b>
<b>CHANGES IN NET POSITION</b>				
Governmental activities	\$ 1,323,289	\$ 1,679,556	\$ 820,368	\$ (1,386,156)
Business-type activities	<u>61,862</u>	<u>2,218</u>	<u>(24,619)</u>	<u>(209,246)</u>
<b>Total government</b>	<b><u>\$ 1,385,151</u></b>	<b><u>\$ 1,681,774</u></b>	<b><u>\$ 795,749</u></b>	<b><u>\$ (1,595,402)</u></b>

	2009	2010	2011	2012	2013	2014
\$	6,527,552	\$ 7,045,872	\$ 4,357,672	\$ 4,986,857	\$ 4,712,641	\$ 4,864,131
	5,697,741	5,511,217	5,293,870	5,317,423	5,488,092	6,427,064
	539,129	512,624	506,460	444,407	473,243	343,243
	-	-	-	-	-	435,333
	-	-	-	-	-	204,903
	1,545,395	1,306,839	1,306,919	1,347,823	1,477,552	1,634,184
	77,275	65,175	70,319	61,915	61,955	70,784
	286,379	116,079	43,436	4,456	7,662	1,403
	153,917	281,776	159,812	483,975	556,208	794,623
	-	-	(351,623)	(365,691)	(479,236)	-
	<u>14,827,388</u>	<u>14,839,582</u>	<u>11,386,865</u>	<u>12,281,165</u>	<u>12,298,117</u>	<u>14,775,668</u>
	33,340	16,247	20,840	13,977	21,396	1,715
	-	-	351,623	365,691	479,236	-
	<u>33,340</u>	<u>16,247</u>	<u>372,463</u>	<u>379,668</u>	<u>500,632</u>	<u>1,715</u>
\$	<u>14,860,728</u>	<u>14,855,829</u>	<u>11,759,328</u>	<u>12,660,833</u>	<u>12,798,749</u>	<u>14,777,383</u>
\$	(63,432)	\$ (2,328,025)	\$ (1,462,174)	\$ (300,534)	\$ (404,661)	\$ 1,726,627
	(691,742)	133,560	625,303	455,338	833,903	159,217
\$	<u>(755,174)</u>	<u>(2,194,465)</u>	<u>(836,871)</u>	<u>154,804</u>	<u>429,242</u>	<u>1,885,844</u>

**VILLAGE OF CHICAGO RIDGE**

FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 As of December 31, 2014

	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>General Fund</b>			
Reserved	\$ 1,688	\$ 83,853	\$ 107,241
Unreserved	4,204,921	4,548,220	4,981,818
Nonspendable	-	-	-
Restricted	-	-	-
Unassigned	-	-	-
<b>Total general fund</b>	<u>\$ 4,206,609</u>	<u>\$ 4,632,073</u>	<u>\$ 5,089,059</u>
<b>All Other Governmental Funds</b>			
Reserved	\$ 601,598	\$ 549,369	\$ 365,781
Unreserved, reported in			
Special Revenue Funds	609,624	459,776	400,991
Capital Projects Fund	4,520,650	4,142,885	4,736,801
Debt Service Fund	3,069,714	2,537,930	2,838,976
Nonspendable	-	-	-
Restricted	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total all other governmental funds</b>	<u>\$ 8,801,586</u>	<u>\$ 7,689,960</u>	<u>\$ 8,342,549</u>

\* - The Village implemented GASB 54 during fiscal year 2011.

2008	2009	2010	2011*	2012	2013	2014
\$ 109,934	\$ 100,150	\$ 116,286	\$ -	\$ -	\$ -	\$ -
4,533,513	4,302,066	3,644,667	-	-	-	-
-	-	-	95,619	109,605	88,328	-
-	-	-	11	21	7	4
-	-	-	3,951,678	4,084,541	5,076,568	6,364,127
<u>\$ 4,643,447</u>	<u>\$ 4,402,216</u>	<u>\$ 3,760,953</u>	<u>\$ 4,047,308</u>	<u>\$ 4,194,167</u>	<u>\$ 5,164,903</u>	<u>\$ 6,364,131</u>
\$ 152,752	\$ 211,447	\$ 85,802	\$ -	\$ -	\$ -	\$ -
181,129	137,071	222,007	-	-	-	-
8,164,157	4,018,012	2,633,689	-	-	-	-
3,053,858	993,556	20,636	-	-	-	-
-	-	-	78,002	70,202	62,402	54,601
-	-	-	277,286	302,025	192,798	272,339
-	-	-	2,943,080	3,085,124	3,275,693	4,001,188
-	-	-	(70,776)	(28,769)	(18,877)	(18,877)
<u>\$ 11,551,896</u>	<u>\$ 5,360,086</u>	<u>\$ 2,962,134</u>	<u>\$ 3,227,592</u>	<u>\$ 3,428,582</u>	<u>\$ 3,512,016</u>	<u>\$ 4,309,251</u>

## VILLAGE OF CHICAGO RIDGE

### CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

For the Year Ended December 31, 2014

	2005	2006	2007
<b>REVENUES</b>			
Property taxes	\$ 6,280,734	\$ 5,938,957	\$ 6,342,386
Other taxes	6,615,584	6,557,670	6,610,775
Intergovernmental	1,897,757	2,081,121	2,117,800
Licenses, fees and permits	757,392	1,004,155	1,021,324
Fines and forfeitures	251,590	239,466	346,272
Fest income	287,246	219,412	360,876
Investment income	345,134	575,132	576,238
Other	159,697	121,534	229,792
<b>Total revenues</b>	<b>16,595,134</b>	<b>16,737,447</b>	<b>17,605,463</b>
<b>EXPENDITURES</b>			
General government	3,838,329	3,808,918	4,109,366
Public safety	7,017,786	7,073,090	7,725,847
Public works	1,025,713	1,064,994	1,034,976
TIF area development	1,797,913	2,592,941	4,112,334
Other	89,989	92,261	96,387
Debt service			
Principal	1,260,901	971,816	1,050,000
Interest and other	261,602	196,274	309,390
Capital outlay	851,749	1,623,315	747,588
<b>Total governmental activities program expenditures</b>	<b>16,143,982</b>	<b>17,423,609</b>	<b>19,185,888</b>
<b>NET (EXPENSE)/REVENUE GOVERNMENTAL ACTIVITIES</b>	<b>451,152</b>	<b>(686,162)</b>	<b>(1,580,425)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Accrued interest on bonds sold	-	-	-
Proceeds from bond principal	-	-	2,690,000
Discount on bonds sold	-	-	-
Transfers in	2,603,311	1,895,000	1,613,647
Sales of fixed assets	-	-	-
Transfers (out)	(2,603,311)	(1,895,000)	(1,613,647)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGES IN FUND BALANCE</b>	<b>\$ 451,152</b>	<b>\$ (686,162)</b>	<b>\$ (1,580,425)</b>
Debt service as a percentage of noncapital expenditures	11.1%	8.0%	8.0%

2008	2009	2010	2011	2012	2013	2014
\$ 6,584,348	\$ 7,066,555	\$ 4,357,672	\$ 4,986,857	\$ 4,712,641	\$ 4,582,701	\$ 4,864,131
6,339,109	6,035,011	5,770,309	5,808,649	5,865,461	6,648,166	7,409,151
2,343,297	1,956,836	2,455,676	2,576,661	2,316,433	2,536,326	2,558,149
924,261	1,109,963	1,288,892	1,369,467	1,322,457	1,296,754	1,660,768
451,523	271,465	474,868	483,307	363,512	413,065	599,256
335,780	321,630	254,690	349,346	257,020	279,601	231,120
286,379	116,079	43,436	4,456	7,662	2,589	1,403
192,644	320,070	189,688	517,749	590,147	726,785	893,586
<u>17,457,341</u>	<u>17,197,609</u>	<u>14,835,231</u>	<u>16,096,492</u>	<u>15,435,333</u>	<u>16,485,987</u>	<u>18,217,564</u>
4,196,914	3,921,500	3,488,316	3,476,644	3,673,046	3,602,835	3,757,185
8,156,201	8,413,407	8,594,261	8,629,982	8,597,026	9,225,307	9,826,045
1,198,234	1,095,913	1,055,245	1,018,570	985,476	1,002,846	1,134,580
1,805,122	3,929,485	1,017,268	112,523	98,717	67,551	258,256
98,990	71,523	393	-	-	-	-
1,080,000	1,105,000	963,451	3,646,549	561,000	375,000	390,000
429,531	456,158	423,820	348,511	228,835	301,823	236,945
<u>3,070,574</u>	<u>4,637,664</u>	<u>1,456,756</u>	<u>982,900</u>	<u>943,384</u>	<u>856,455</u>	<u>863,090</u>
<u>20,035,566</u>	<u>23,630,650</u>	<u>16,999,510</u>	<u>18,215,679</u>	<u>15,087,484</u>	<u>15,431,817</u>	<u>16,466,101</u>
<u>(2,578,225)</u>	<u>(6,433,041)</u>	<u>(2,164,279)</u>	<u>(2,119,187)</u>	<u>347,849</u>	<u>1,054,170</u>	<u>1,751,463</u>
7,519	-	-	-	-	-	-
5,380,000	-	-	2,671,000	-	-	-
(45,559)	-	-	-	-	-	-
1,681,467	1,918,054	1,553,330	1,720,000	1,325,053	1,072,278	1,333,331
-	-	-	-	-	-	245,000
<u>(1,681,467)</u>	<u>(1,918,054)</u>	<u>(1,553,330)</u>	<u>(1,720,000)</u>	<u>(1,325,053)</u>	<u>(1,072,278)</u>	<u>(1,333,331)</u>
<u>2,690,000</u>	<u>5,341,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>245,000</u>
<u>\$ 111,775</u>	<u>\$ (1,091,081)</u>	<u>\$ (2,164,279)</u>	<u>\$ (2,119,187)</u>	<u>\$ 347,849</u>	<u>\$ 1,054,170</u>	<u>\$ 1,996,463</u>
9.8%	9.0%	9.8%	30.2%	5.9%	4.9%	4.2%

## VILLAGE OF CHICAGO RIDGE

### ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN LEVY YEARS As of December 31, 2014

Levy Year	Residential Property	Commercial Property	Industrial Property	Railroad Property	Total Equalized Assessed Value	Total Actual Value
2004	108,671,967	149,832,148	39,277,188	257,331	298,038,634	895,010,913
2005	126,451,116	186,044,197	50,135,944	280,189	362,911,446	1,089,824,162
2006	130,640,471	178,561,628	48,347,359	336,843	357,886,301	1,074,733,637
2007	141,191,180	184,638,393	51,276,461	400,535	377,506,569	1,133,653,360
2008	156,624,973	201,330,608	57,989,928	389,206	416,334,215	1,250,252,898
2009	171,256,023	198,131,203	61,114,616	478,454	430,980,296	1,294,235,123
2010	174,544,473	188,063,037	52,455,085	513,961	415,576,556	1,247,977,646
2011	139,967,457	153,812,458	51,483,135	583,147	345,846,197	1,038,577,168
2012	125,963,538	141,049,354	44,712,281	580,003	312,305,176	937,853,381
2013	117,911,856	132,716,967	41,643,548	546,989	292,819,359	879,337,414

Source: Cook Counties Clerks' and Assessors' Offices

Note: Information only available through 2013 as this is the most recent information available.

\*Breakdown of Equalized Assessed Value not available at time of report issuance.

Note: Property is reassessed once every three years. Property is assessed at 1/3 actual value. Tax rates are per \$100 of assessed value. Fiscal year data is based on the previous calendar year's (levy year) assessed value (i.e. data presented for the Fiscal Year ended December 31, 2013 is based on the 2012 assessed value.)

## VILLAGE OF CHICAGO RIDGE

### TREND OF EQUALIZED ASSESSED VALUATIONS LAST TEN LEVY YEARS As of December 31, 2014

Levy Year	Equalized Assessed Value	Percentage Increase(Decrease)	Estimated Actual Value	Ratio of Equalized Assessed Value to Estimated Actual Value
2004	298,038,634	3.63%	895,010,913	33.30%
2005	362,911,446	21.77%	1,089,824,162	33.30%
2006	357,886,301	-1.38%	1,074,733,637	33.30%
2007	377,506,569	5.48%	1,133,653,360	33.30%
2008	416,334,215	10.29%	1,250,252,898	33.30%
2009	430,980,296	3.52%	1,294,235,123	33.30%
2010	415,576,556	-3.57%	1,247,977,646	33.30%
2011	345,846,197	-16.78%	1,038,577,168	33.30%
2012	312,305,176	-9.70%	937,853,381	33.30%
2013	292,819,359	-6.24%	879,337,414	33.30%

Source: Cook County Clerk's office

## VILLAGE OF CHICAGO RIDGE

PROPERTY TAX RATES PER \$100 ASSESSED VALUATION  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN LEVY YEARS  
As of December 31, 2014

	<u>2004</u>	<u>2005</u>	<u>2006</u>
Village of Chicago Ridge	\$ 1.2350	\$ 1.0430	\$ 1.1084
Village of Chicago Ridge - Library	0.3430	0.2990	0.3064
Cook County	0.5930	0.5330	0.5000
Cook County Forest Preserve	0.0600	0.0600	0.0570
Cook County Consolidated Elections*	-	0.0140	-
Worth Township	0.0550	0.0510	0.0540
Worth Township General Assistance	0.0160	0.0140	0.0140
Worth Township Road and Bridge	0.0280	0.0260	0.0270
Metropolitan Water Reclamation District	0.3470	0.3150	0.2840
South Cook County Mosquito Abatement	0.0120	0.0100	0.0070
Suburban TB Sanitarium	0.0010	0.0050	0.0050
Chicago Ridge Park District	0.3240	0.2830	0.3910
School District#127.5	3.7460	3.2650	3.4000
High School District #218	2.7350	2.4740	2.5660
Community College District #524	<u>0.2530</u>	<u>0.2080</u>	<u>0.2700</u>
<b>Total Tax Rate per \$100 EAV</b>	<b><u>9.7480</u></b>	<b><u>8.6000</u></b>	<b><u>8.9898</u></b>
 Share of Total Tax Rate Levied by Village	 <u>12.67%</u>	 <u>12.13%</u>	 <u>12.33%</u>

Source: Cook County Clerk

\* Information is unavailable for years designated with a dash (-)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$	1.1015	\$ 1.0198	\$ 1.0501	\$ 1.1327	\$ 1.4018	\$ 1.5648	\$ 1.7020
	0.3080	0.3260	0.3130	0.3290	0.3970	0.4550	0.4870
	0.4460	0.4150	0.3940	0.4230	0.4620	0.5310	0.5600
	0.0530	0.0510	0.0490	0.0510	0.0580	0.0630	0.0690
	0.0120	-	0.0210	-	0.0250	-	0.0310
	0.0520	0.0480	0.0480	0.0500	0.0600	0.0680	0.0730
	0.0140	0.0120	0.0120	0.0130	0.0150	0.0170	0.0180
	0.0260	0.0240	0.0240	0.0250	0.0300	0.0330	0.0350
	0.2630	0.2520	0.2610	0.2740	0.3200	0.3700	0.4170
	0.0060	0.0090	0.0090	0.0100	0.0120	0.0140	0.0160
	-	-	-	-	-	0.0020	-
	0.4690	0.4420	0.4550	0.4820	0.5840	0.6610	0.7170
	3.3500	3.3970	3.1930	3.1320	3.8610	4.4330	4.8170
	2.5170	2.3430	2.3640	2.4820	3.0370	3.4420	3.7750
	<u>0.2620</u>	<u>0.2470</u>	<u>0.2470</u>	<u>0.2560</u>	<u>0.3110</u>	<u>0.3460</u>	<u>0.3750</u>
	<u>8.8795</u>	<u>8.5858</u>	<u>8.4401</u>	<u>8.6597</u>	<u>10.5738</u>	<u>11.9998</u>	<u>13.0920</u>
	<u>12.40%</u>	<u>11.88%</u>	<u>12.44%</u>	<u>13.08%</u>	<u>13.26%</u>	<u>13.04%</u>	<u>13.00%</u>

## VILLAGE OF CHICAGO RIDGE

PROPERTY TAX RATES PER \$100 OF ASSESSED VALUATION  
LAST TEN LEVY YEARS  
As of December 31, 2014

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<u>Levy Year</u>	<u>General</u>	<u>Garbage</u>	<u>Street and Bridge</u>	<u>Illinois Municipal Retirement</u>	<u>Social Security</u>	<u>Police Protection</u>
2004	0.2907	0.0273	0.1041	0.0493	0.1233	0.1621
2005	0.2387	0.0224	0.0855	0.0566	0.1143	0.1331
2006	0.2374	0.0223	0.0850	0.0563	0.1137	0.1324
2007	0.2265	0.0218	0.0750	0.0546	0.1091	0.1282
2008	0.2053	0.0198	0.0680	0.0371	0.0866	0.1163
2009	0.2151	0.0191	0.0597	0.0358	0.0836	0.1123
2010	0.2231	0.0198	0.0620	0.0372	0.0867	0.1165
2011	0.2680	0.0238	0.0745	0.0447	0.1042	0.1400
2012	0.1319	0.0264	0.0825	0.0495	0.1154	0.1550
2013	0.1407	0.0281	0.0879	0.0528	0.1231	0.1653

Source: Cook County Clerk's Office

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<u>Fire Protection</u>	<u>Auditing</u>	<u>Liability Insurance</u>	<u>Fire Pension</u>	<u>Police Pension</u>	<u>Totals</u>
0.1691	0.0141	0.0875	0.1222	0.0849	1.2346
0.1389	0.0116	0.0718	0.0697	0.1004	1.0430
0.1381	0.0201	0.0714	0.0979	0.1338	1.1084
0.1364	0.0177	0.0620	0.1160	0.1542	1.1015
0.1237	0.0161	0.0562	0.1175	0.1732	1.0198
0.1434	0.0155	0.0543	0.1237	0.1876	1.0501
0.1487	0.0161	0.0563	0.1328	0.2335	1.1327
0.1787	0.0194	0.0736	0.1638	0.3111	1.4018
0.1979	0.0214	0.0815	0.1939	0.5094	1.5648
0.1970	0.0229	0.0870	0.2208	0.5757	1.7013

## VILLAGE OF CHICAGO RIDGE

PRINCIPAL PROPERTY TAX PAYERS  
CURRENT FISCAL YEAR AND TEN YEARS AGO  
As of December 31, 2014

<u>Taxpayer</u>	<u>Total Assessed Value</u>	<u>2013 Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Chicago Ridge Mall	\$ 49,336,817	1	16.85%
New Plan Dept 124	15,705,863	2	5.36%
Sears	9,844,286	3	3.36%
Yellow Freight System	-		0.00%
McRaes, Inc.	-		0.00%
McRil LLC	8,080,192	4	2.76%
YRC	5,025,501	5	1.72%
Sambell Chicago Ridge	4,845,006	6	1.65%
Kohl's Department Store	4,585,180	7	1.57%
The Home Depot	4,094,022	8	1.40%
David Gorenstein	-		0.00%
Trammel Crow Co.	-		0.00%
AMB Property RE Tax Co.	3,631,682	9	1.24%
BM of Chicago Ridge RE	<u>3,580,066</u>	10	1.22%
<b>Total</b>	<b><u>\$ 108,728,615</u></b>		<b><u>37.13%</u></b>

Source: Cook County Clerk's and Assessor's Offices and Worth Township Assessor's office.

Note: The 2013 levy year is the most recent available.

		<u>2003</u>	
	<u>Total Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
\$	49,058,694	1	17.06%
	16,854,063	2	5.86%
	10,863,446	3	3.78%
	10,174,188	4	3.54%
	7,534,358	5	2.62%
	-		0.00%
	-		0.00%
	5,443,813	6	1.89%
	5,319,937	7	1.85%
	5,324,087	8	1.85%
	4,318,427	9	1.50%
	2,428,595	10	0.84%
	-		0.00%
	-		0.00%
<u>\$</u>	<u>117,319,608</u>		<u>40.79%</u>

## VILLAGE OF CHICAGO RIDGE

### PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN LEVY YEARS

For the Year Ended December 31, 2014

Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year		Collections in Subsequent Years
		Amount	Percentage of Levy	
2004	3,679,463	3,641,227	98.96%	254,236
2005	3,784,988	3,551,881	93.84%	303,173
2006	3,967,303	3,337,852	84.13%	683,688
2007	4,158,337	3,995,361	96.08%	(45,286)
2008	4,245,887	4,095,985	96.47%	73,777
2009	4,526,562	4,376,307	96.68%	5,059
2010	4,707,327	4,516,162	95.94%	64,768
2011	4,848,019	4,712,641	97.21%	2,884
2012	4,887,132	4,507,835	92.24%	323,368
2013	4,981,853	4,854,115	97.44%	-

*Source: Cook County Clerks' and Assessors' Offices*

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<u>Total Collected to Date</u>	
<u>Amount</u>	<u>Percentage of Levy</u>
3,895,463	105.87%
3,855,054	101.85%
4,021,540	101.37%
3,950,075	94.99%
4,169,762	98.21%
4,381,366	96.79%
4,580,930	97.31%
4,715,525	97.27%
4,831,203	98.86%
4,854,115	97.44%

## VILLAGE OF CHICAGO RIDGE

### TAXABLE SALES BY CATEGORY LAST TEN FISCAL YEARS For the Year Ended December 31, 2014 (in thousands of dollars)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Apparel Stores	\$ 54,315	\$ 55,982	\$ 58,046	\$ 55,788
General Merchandise	100,279	105,936	97,855	90,449
Food Stores	14,011	14,110	15,164	14,876
Eating and drinking establishments	25,883	25,771	28,682	25,298
Home furnishings and appliances	20,734	20,379	19,663	17,690
Building materials	37,015	37,244	34,945	28,193
Automotive & fill stations	19,949	21,317	20,604	26,455
Drugs and misc. retail	47,746	47,185	46,659	44,837
Agriculture & all others	27,445	29,872	31,669	29,622
Manufacturers	<u>170</u>	<u>200</u>	<u>202</u>	<u>2,211</u>
<b>Total</b>	<b><u>\$ 347,547</u></b>	<b><u>\$ 357,996</u></b>	<b><u>\$ 353,489</u></b>	<b><u>\$ 335,419</u></b>
 Village direct sales tax rate	 1.75%	 1.75%	 1.75%	 1.75%

*Source: Illinois Department of Revenue, Report of Sales Tax Receipts by Standard Industrial Classification*

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$	48,104	\$ 54,992	\$ 54,063	\$ 54,250	\$ 58,461	\$ 56,843
	84,162	87,459	85,705	91,627	87,679	89,227
	14,177	13,812	13,999	14,788	14,924	15,384
	25,342	29,967	29,384	29,234	29,462	29,927
	15,181	16,343	17,020	17,373	17,606	14,472
	23,777	23,466	22,506	22,690	24,843	25,233
	22,262	17,007	22,870	19,902	16,803	17,677
	41,608	43,351	45,393	51,411	53,635	56,284
	20,445	18,187	16,037	14,929	15,564	16,782
	<u>4,464</u>	<u>5,547</u>	<u>6,690</u>	<u>6,584</u>	<u>8,354</u>	<u>8,520</u>
\$	<u>299,522</u>	<u>\$ 310,131</u>	<u>\$ 313,667</u>	<u>\$ 322,788</u>	<u>\$ 327,331</u>	<u>\$ 330,349</u>
	1.75%	1.75%	1.75%	1.75%	2.00%	2.00%

## VILLAGE OF CHICAGO RIDGE

### RATIO OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

As of December 31, 2014

Fiscal Year	Governmental Activities	Business-Type Activities	Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	General Obligation Bonds			
2005	6,250,901	109,099	6,360,000	2.24%	450,202
2006	5,311,816	38,184	5,350,000	1.89%	378,707
2007	4,300,000	-	4,300,000	1.52%	304,382
2008	8,600,000	-	8,600,000	3.03%	608,763
2009	7,495,000	-	7,495,000	2.64%	530,544
2010	6,550,000	-	6,550,000	2.28%	457,882
2011	5,575,000	-	5,575,000	1.94%	389,724
2012	5,015,000	-	5,015,000	1.75%	350,577
2013	4,640,000	-	4,640,000	1.62%	324,362
2014	4,250,000	-	4,250,000	1.48%	297,099

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

## VILLAGE OF CHICAGO RIDGE

### RATIO OF NET GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS As of December 31, 2014

Fiscal Year	General Obligation Bonds	Available in the Debt Service Fund	Net General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2005	6,360,000	476,795	5,883,205	0.66%	450,202
2006	5,350,000	432,366	4,917,634	0.45%	378,707
2007	4,300,000	248,778	4,051,222	0.38%	304,382
2008	8,600,000	51,349	8,548,651	0.75%	608,763
2009	7,495,000	8,203	7,486,797	0.60%	530,544
2010	6,550,000	13,638	6,536,362	0.51%	457,882
2011	5,575,000	10,218	5,564,782	0.45%	389,724
2012	5,015,000	8,558	5,006,442	0.48%	350,577
2013	4,640,000	7,155	4,632,845	0.49%	324,362
2014	4,250,000	5,601	4,244,399	0.48%	297,099

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

## VILLAGE OF CHICAGO RIDGE

### CALCULATION OF LEGAL DEBT MARGIN As of December 31, 2014

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The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property... (2) if its population is more than 25,000 and less than 500,000 an aggregate one percent... indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution of which is thereafter approved by referendum... shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

## VILLAGE OF CHICAGO RIDGE

### COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT

As of December 31, 2014

Governmental Unit	Gross Debt	*Percentage of Debt Applicable to Village	Village's Share of Debt
<b>DIRECT DEBT</b>			
Village of Chicago Ridge	\$ 4,250,000	100.000%	\$ <u>4,250,000</u>
<b>OVERLAPPING AND UNDERLYING DEBT</b>			
Cook County	\$3,466,976,750	0.233%	8,078,056
Cook County Forest Preserve	118,610,000	0.233%	276,361
Metropolitan Water Reclamation District	2,422,619,005	0.237%	5,741,607
Chicago Ridge Park District	334,880	100.000%	334,880
School District #122	48,109,721	31.275%	15,046,315
School District #127	2,646,975	9.132%	241,722
School District #127.5	5,085,000	83.779%	4,260,162
Community High School District #218	29,293,171	9.134%	2,675,638
Community High School District #229	4,940,000	11.809%	583,365
Moraine Valley Community College District #524	70,955,000	3.150%	<u>2,235,083</u>
Total Overlapping & Underlying Debt			<u>39,473,189</u>
Total Direct, Overlapping & Underlying Debt			<u>\$ 43,723,189</u>

*Date Source: Offices of the Cook County Clerk and Department of Revenue and the Treasurer of the Metropolitan Water Reclamation District*

*\*Note: Overlapping governments are those that coincide, at lease in part, with the geographic boundaries of the village. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses. This process recognizes that, when considering the village's ability to issue and repay long-term debt, the entire debt burden borne by the residents and business should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.*

## VILLAGE OF CHICAGO RIDGE

### DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS As of December 31, 2014

Year	Population (1)	Personal Income (thousand of dollars)	Per Capita Personal Income (1)	Median Age (1)	Unemployment Rate (2)
2005	14,127	283,472	20,066	32.5	4.6%
2006	14,127	283,472	20,066	32.5	N/A
2007	14,127	283,472	20,066	32.5	N/A
2008	14,127	283,472	20,066	32.5	N/A
2009	14,127	283,472	20,066	32.5	N/A
2010	14,305	287,044	20,066	32.5	N/A
2011	14,305	287,044	20,066	32.5	N/A
2012	14,305	287,044	20,066	32.5	N/A
2013	14,305	287,044	20,066	32.5	N/A
2014	14,305	287,044	20,066	32.5	N/A

**Sources:**

(1) *Bureau of Census*

(2) *State of Illinois, Department of Employment Security, Economic Information and Analysis*

N/A - Information is not available after 2005.

## VILLAGE OF CHICAGO RIDGE

### PRINCIPAL EMPLOYERS CURRENT FISCAL YEAR AND EIGHT YEARS AGO As of December 31, 2014

Employer	2014			2006		
	Employees	Rank	Percentage Total Village Employment	Employees	Rank	Percentage Total Village Employment
Yellow Transportation, Inc.	-		0.0%	1,500	1	20.7%
Tibor Machine Products, Inc.	-		0.0%	120	2	1.7%
C&K trucking, LLC	100	7	1.4%	-		N/A
Cottage Sheet Metal, LLC	100	7	1.4%	50	3	0.7%
Crowley-Sheppard Asphalt Inc.	-		0.0%	40	4	0.6%
Star Contractors Supply Inc.	-		0.0%	45	5	0.6%
CMD Conveyor, Inc.	-		0.0%	30	6	0.4%
Sears	340	1	4.8%	-		N/A
Oak Steel Supply Co.	-		0.0%	32	7	0.4%
Carson Pirie Scott	299	2	4.2%	-		N/A
Kohl's	280	3	3.9%	-		N/A
Acom Metal Service, Inc.	-		0.0%	25	8	0.3%
K & M Tire	-		0.0%	25	8	0.3%
James Saunoris & Sons, Inc.	-		0.0%	25	8	0.3%
Lexington Center	200	4	2.8%	-		N/A
Chicago Ridge Nursing & Rehab	130	5	1.8%	-		N/A
Home Depot	120	6	1.7%	-		N/A
Buffalo Wild Wings Grill & Bar	100	7	1.4%	-		N/A
Richlee Vans	200	4	2.8%	-		N/A
<b>Total</b>	<b>1,869</b>		<b>26.2%</b>	<b>1,892</b>		<b>26.1%</b>

Source: Reference USA, Illinois Department of Employment Security

Note: Information prior to 2006 is not available.

**VILLAGE OF CHICAGO RIDGE**

**FULL-TIME EQUIVALENT VILLAGE GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS  
As of December 31, 2014**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b><u>FUNCTION/PROGRAM</u></b>										
<b>General government</b>										
Village administration	2	2	2	2	2	2	2	2	2	2
Village clerical	11	12	11	11	8	8	7	7	8	8
Janitor	1	1	1	1	1	1	1	1		
Building/grounds	1	1	1	1	1	1	1	1	1	-
Licensing/building	1	3	1	1	1	1	1	1	1	1
Planning and zoning	2	2	2	2	2	2		-		1
<b>Public Safety</b>										
Police department	44	45	46	47	48	48	47	47	49	51
Fire department	25	25	25	27	24	24	24	24	24	24
E.M.A	1	1	1	1	1	1	1	1	1	1
<b>Public Safety</b>										
Street department	9	8	7	7	7	7	6	6	6	3
Water department	8	9	9	9	6	6	6	6	6	5
Sewer department	2	2	2	2	2	2	2	2	2	3
Health department	1	1	1	1	1	1	1	1	1	1
<b>Other</b>										
Youth service bureau	1	1	1	1	-	-	-		-	-
<b>Total</b>	<b>109</b>	<b>113</b>	<b>110</b>	<b>113</b>	<b>104</b>	<b>104</b>	<b>99</b>	<b>99</b>	<b>101</b>	<b>100</b>

Source: Payroll department documents

## VILLAGE OF CHICAGO RIDGE

### OPERATING INDICATORS BY FUNCTION/PROGRAMS LAST TEN FISCAL YEARS As of December 31, 2014

<b>FUNCTION/PROGRAM</b>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Chicago Ridge Facilities and Services:</b>			
Number of service connects (est.)	2,865	2,854	2,858
Daily average water use	1,510,000	1,500,000	1,420,000
<b>Fire Department</b>			
Number of personnel	35	36	37
Number of calls answered	2,735	2,719	2,747
Number of inspections	116	163	269
<b>Police Department</b>			
Number of personnel	68	70	72
Number of violations:			
Physical arrests	1,621	1,652	1,628
Traffic violations	4,589	4,407	4,465
Parking violations	1,371	2,636	3,246
<b>Highways and Streets</b>			
Street resurfacing (miles)*	N/A	1	1
Potholes repaired*	N/A	150	190
<b>Water</b>			
New connections*	N/A	16	63
Water main breaks*	31	36	42
<b>Facilities not included in Primary Government:</b>			
<b>Park District:</b>			
Community Centers	1	1	1
Park Acreage	28	28	28
Tennis Court	3	3	3
Ball Fields	9	9	9
Gymnasium	1	1	1
Library District Buildings	1	1	1
<b>Schools:</b>			
Public Grade Schools	2	2	2
Private Primary/Middle School	1	1	1
Junior High (District 127.5) and High School (218)	2	2	2

\* N/A - Information is unavailable

2008	2009	2010	2011	2012	2013	2014
2,863	2,864	2,853	2,868	2,880	2,880	2,873
1,433,000	1,351,000	1,303,000	1,385,000	1,438,000	1,438,000	1,259,470
35	33	36	32	31	30	32
2,683	2,539	2,407	2,536	2,408	2,424	2,604
206	196	239	273	304	342	258
69	72	73	67	68	68	69
1,527	1,195	930	821	745	692	735
3,874	3,793	2,911	2,920	1,423	1,343	2,660
3,354	4,366	3,812	3,160	3,630	3,002	4,098
1	1	1/2 mile	1/2 mile	3/4 mile	1 mile	3/4 mile
203	350	350	350	400	500	700
6	1	-	-	-	-	-
26	26	43	40	36	42	41
1	1	1	1	1	1	1
28	28	28	28	28	28	28
3	3	3	3	3	3	3
9	9	9	9	9	9	9
1	1	1	1	1	1	1
1	1	1	1	1	1	1
2	2	2	2	2	2	2
1	1	1	1	1	1	1
2	2	2	2	2	2	2

## VILLAGE OF CHICAGO RIDGE

### CAPITAL ASSETS STATISTICS BY FUNCTION LAST TEN FISCAL YEARS As of December 31, 2014

<u>FUNCTION/PROGRAM</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Police</b>										
Station	1	1	1	1	1	1	1	1	1	1
Patrol Units	8	10	12	12	13	13	13	13	13	13
Fire Stations	2	2	2	2	2	2	2	2	2	2
<b>Other Public Works</b>										
Streets (miles)	22	22	22	22	22	22	22	22	22	22
Streetlights	387	387	387	387	390	390	390	390	390	390
Traffic Signals	17	17	18	19	19	19	19	19	19	19
<b>Water</b>										
Water mains (miles)	35	35	35	35	35	35	35	35	35	35
Fire hydrants	528	532	532	532	534	534	534	534	534	534
Storage capacity (millions of gallons)	3	3	3	3	3	3	3	3	3	3
<b>Wastewater</b>										
Sanitary sewer (mile)	29	29	29	29	29	29	29	29	29	29

