



THE VILLAGE OF
ALGONQUIN
ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
APRIL 30, 2018

VILLAGE OF ALGONQUIN, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2018

Issued by the Finance Department

Michael Kumbera
Treasurer

Susan Skillman
Comptroller

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INTRODUCTORY SECTION

Village of Algonquin, Illinois
Principal Officials

April 30, 2018

Legislative

Village Board of Trustees

John Schmitt, Village President

Laura Brehmer

Debby Sosine

Jerry Glogowski

John Spella

Janis Jasper

Jim Steigert

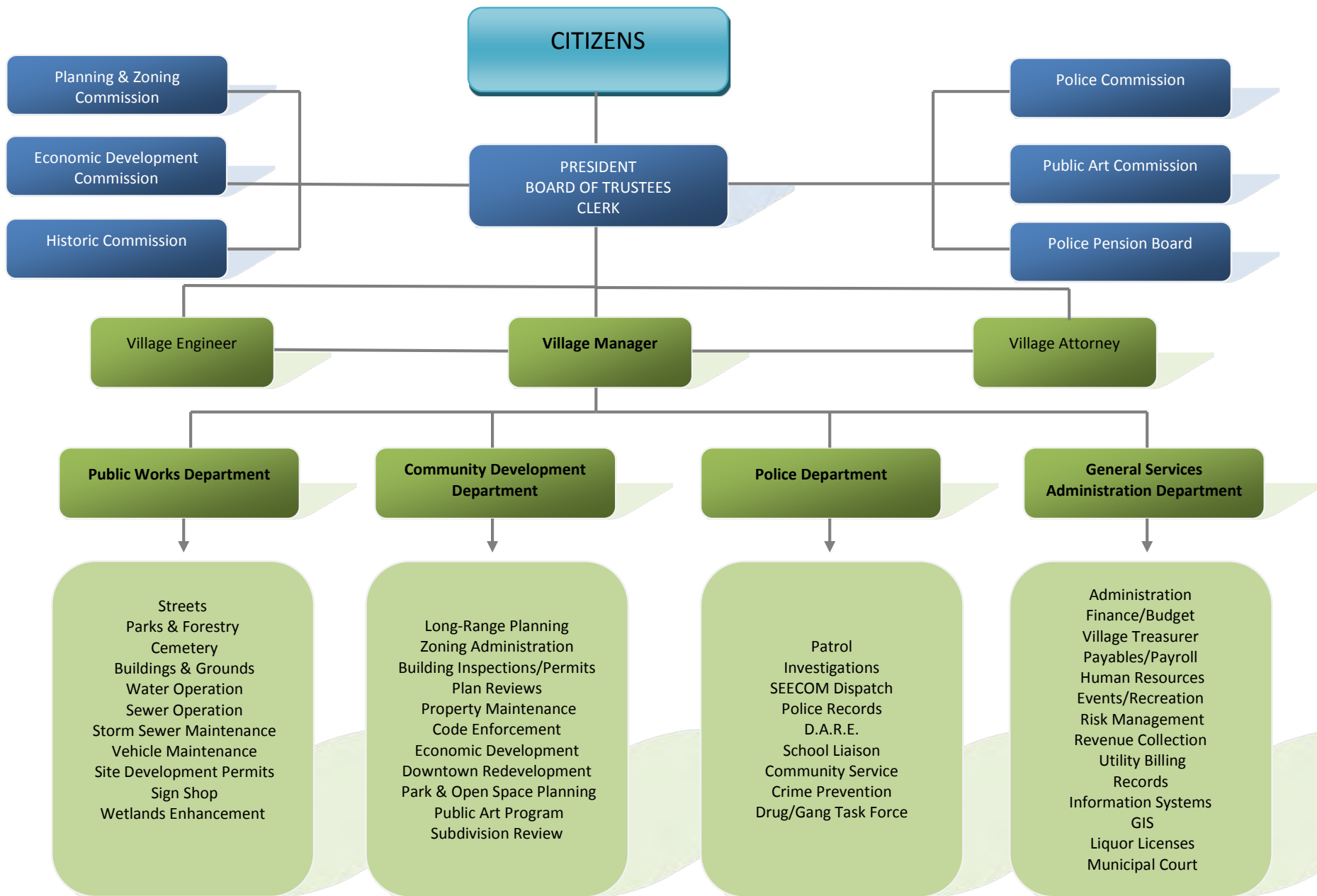
Gerald S. Kautz, Clerk

Appointed Officials

Tim Schloneger, Village Manager

Michael Kumbera, Treasurer

Village of Algonquin 2017 – 2018 Organizational Chart





Government Finance Officers Association

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

Presented to

**Village of Algonquin
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2017

Christopher P. Morrill

Executive Director/CEO



Village of Algonquin

The Gem of the Fox River Valley

October 1, 2018

The Honorable Village President
Members of the Board of Trustees and Village Manager
Village of Algonquin
Algonquin, Illinois 60102

The Comprehensive Annual Financial Report (CAFR) of the Village of Algonquin, Illinois, (the Village) for the fiscal year ended April 30, 2018, is hereby submitted as mandated by local ordinances and state statutes. These ordinances and statutes require that the Village issue annually a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) in the United States of America and audited in accordance with generally accepted auditing standards (GAAS) by an independent firm of certified public accountants.

This report consists of management's representations concerning the finances of the Village of Algonquin. The Village is responsible for the accuracy and fairness of the presentation of the financial statements and other information as presented herein. The data presented in this report is believed to be accurate in all material respects, and all statements and disclosures necessary for the reader to obtain a thorough understanding of the Village's financial activities have been included. To provide a reasonable basis for making these representations, management of the Village 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 Algonquin's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable assurance rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Algonquin for the fiscal year ended April 30, 2018, are free of 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 their audit, that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the fiscal year ended April 30, 2018, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require 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 complement 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.

Copies of this financial report are available for review at the Ganek Municipal Center and will also be placed on the Village's web site at www.algonquin.org/transparency for use by the general public.

Profile of the Village of Algonquin

The Village of Algonquin, a home rule community as defined by the Illinois Constitution, was incorporated in 1890 and is located approximately 45 miles northwest of the City of Chicago in McHenry and Kane Counties. Algonquin has a land area of 12 square miles and a population of 30,046 as certified in the 2010 Decennial Census. The Village also has the power by state statute to extend its corporate limits by annexation, which is done periodically when deemed appropriate, by the Village Board.

Policy making and legislative authority are vested in the Village Board, which consists of the President and six trustees. The Village Board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the Village Manager. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board, for overseeing the day-to-day operations of the Village, and for appointing the heads of the Village's departments. The Board is elected on a non-partisan basis. Board members are elected to four-year staggered terms with three Board members elected every two years. The President is elected to a four-year term. The President and Village Trustees are elected at large.

The Village is a full service municipal organization providing general government, police and public safety, planning and zoning, building inspection, code enforcement, parks and recreation, special events, street maintenance, storm water management, forestry, water and sanitary sewer utility services. The CAFR also includes the activities of the Algonquin Police Pension Fund, although control of this fund rests with an independent board.

The annual budget serves as the foundation for the Village's financial planning and control. All departments of the Village are required to submit their budget requests to the Village Manager on or before January 31 of each year. The Village Manager and staff use these requests as the starting point for developing a proposed budget which will match anticipated revenues. The Village Manager then presents the Manager's Proposed Budget to the Village Board throughout January, February and March of each year. The Village Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than April 30 of each year; the close of the Village's previous fiscal year.

Local Economy

The Village's overall financial condition is strong and stable and current financial policies have provided opportunities for continued investment in programs and services that make Algonquin great. The Village has experienced steady revenue growth in recent years as the national, regional, and local economy improves.

Retail trade, accommodations and food services, health care and social assistance, and manufacturing comprise the major industry sectors in Algonquin. The Village's unemployment rate in 2017 was 4.2 percent which is improved from the 2016 rate of 5.0 percent. Algonquin's unemployment rate compares favorably to the State of Illinois (5.0 percent) and the Chicago metropolitan area (4.9 percent).

Growth continued in the local sales tax base across many categories including agriculture, manufacturing, automotive, hardware, and apparel. Notable declines in categories such as furniture, food, and general merchandise correlate to store closings experienced during the period. General Fund sales tax revenues increased by \$29,261 (or 0.4 percent) to \$7.73 million. Sales tax revenue represented 39 percent of total General Fund revenues for the year.

State-shared income/use tax revenue decreased by \$60,424 (or 1.7 percent) to \$3.52 million compared to the prior year. The 2010 Census counts are used in the distribution formula for state-shared revenues. The state's per capita distribution rate for FY 18 decreased 4.7 percent for the year following a decrease of 10.8 percent in FY 17. Beginning August 1, 2017, local governments receive 6.06 percent of the net collections of all income tax received from individuals, trusts, and estates, and 6.85 percent of the net collections of all income tax received from corporations

Assessed property values in Algonquin increased 5.7 percent in 2017 to \$900,634,801, which follows a 6.5 percent increase in 2016 and a 2.9 percent increase in 2015. New construction growth in the residential

and commercial sectors helped contribute to an increase in property values. As a home rule unit of government, the Village's tax levy is not subject to the Property Tax Extension Limitation Law (PTELL).

Building permit revenues exceeded budget by \$234,155 due to increased volume of residential housing starts in the village. Overall, during the fiscal year ended April 30, 2018, 2,859 permits were issued, down 6.3 percent from the previous year (3,050). This is the third consecutive year of declining permit volume in the Village.

Overall, operating results in the General Fund were positive with actual revenues exceeding budget by 3.7 percent and expenditures were 5.5 percent less than budget. Economic and state legislative trends are being monitored closely to gauge the potential impact on the Village's financial position. Expenditures are being evaluated and reduced whenever necessary and possible, and privatization and shared services are being considered when a cost savings and consistent level of service can be achieved.

Long-Term Financial Planning

The Village continues to use the Home Rule Sales Tax of 0.75 percent for infrastructure and capital purposes. Those funds, together with existing dedicated revenues, strengthen the Village preference of a "pay as you go" philosophy in financing capital projects. The capital improvement program for street and infrastructure improvements is managed from five funds (Motor Fuel Tax, Street Improvement, Park Improvement, Water & Sewer Improvement and Construction, and Village Expansion). With the exception of bonds issued for the financing of the Wastewater Treatment Plant Expansion (2005) and Public Works Facility (2002), the Village has been able to follow the "pay as you go" financing policy for the past decade. The Village annually abates debt service for the General Obligation Bonds and we expect to do so again this year. Debt service for the existing bonds is being financed via the use of sales tax revenues and water and sewer user fees.

The Village invests portions of the surplus cash in local government investment pools as well as fixed income securities as an alternative investment. Investment returns for local government investment pools are correlated to the short-term federal funds rate, which was as 150 to 175 basis points as of April 30, 2018. Investment grade fixed income securities with an average life of less than three years are approved for investment. This includes corporate bonds pursuant to the Village's investment policy. The maturities of investments now range from being immediately accessible (Illinois Funds and IMET Convenience Fund) and up to three years (Fixed Income Investments). Investment income includes market appreciation in the fair value of investments.

The Police Pension Fund is permitted to invest in equities as well as fixed income bonds with longer maturities. Market value yields from these assets for the year ended April 30, 2018, were 6.4 percent.

The Village sponsors a single-employer defined benefit pension plan for its police officers. Each year, an independent actuary engaged by the Village and the pension plan calculates the amount of the annual contribution that the Village must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As a matter of policy, the Village fully funds each year's annual required contribution to the pension plan as determined by the actuary. As a result of the Village's conservative funding policy, the Village has succeeded as of April 30, 2018, in funding 65.6 percent of the actuarial accrued liabilities. The actuarial valuation as stated in this report, determined that the net contribution due from the Village is \$1,984,537. The remaining unfunded amount is being systematically funded over 15 years as part of the annual required contribution calculated by the actuary.

The Village also provides pension benefits for its non-public safety employees. These benefits are provided through a statewide plan managed by the Illinois Municipal Retirement Plan (IMRF). The Village has no obligation in connection with employee benefits offered through this plan beyond its contractual payments to IMRF. Additional information on the Village's pension arrangements can be found in Note 10 in the financial statements.

As of April 30, 2018, the Village had two outstanding debt issues, both of which were general obligation bonds. Outstanding principal at year end were \$6.46 million for general obligation bonds. Continuing its

practice, the Village abated \$1.45 million of the 2017 Tax Levy for debt service. Under current state statutes, the Village has no legal debt limit on general obligation debt.

Relevant Financial Policies

Cash and investments in the General Fund (Operating) at April 30, 2018, is \$14.9 million, which represents 74.6 percent of 2018 general fund operating revenues, exceeding the Village's policy guidelines set by the Village Board. These reserves are vital to ensuring the Village's ability to weather volatility in national and state economic conditions, address pension funding requirements and maintain services in the event of unanticipated revenue shortfalls.

Debt outstanding at April 30, 2018, for the two active general obligation bond issues are \$6.46 million. Series 2014A will be retired in 2020 and Series 2013 will be retired in 2025. Pursuant to the Village's Capital Improvement Plan, debt issuance may be considered for certain large-scale expenditures provided policy guidelines are met. Provided the Village's current debt structure, ample capacity exists within the foreseeable future should the Village Board wish to pursue this financing method.

Major Initiatives

The Village staff, following specific goals of the Village Board and the Village Manager, has been involved in a variety of projects throughout the year; projects which reflect the Village's commitment to ensuring that its citizens are provided cost effective and quality services.

The Village continues its efforts to enhance our community through job creation and economic growth. By careful and strategic planning, we are attracting, retaining and expanding the businesses that create and retain quality jobs. To support these efforts, the Village contracted with a marketing/branding firm to create a story for Algonquin and targeted investment areas, including the Algonquin Corporate Campus, Old Town, and East Algonquin Road. A website (www.aplusalgonquin.com) and marketing collateral has been developed with this story for staff working with developers, businesses, site selectors, and real estate agents.

Beginning in 2018, the Village implemented its water meter exchange program to outfit its entire inventory of approximately 11,000 meters with a new fixed-base network to automate the reading process. This will eliminate antiquated technologies such as phone read, radio read, and manual read meters with a uniform platform. Funding for this project comes from a water and sewer rate study performed in 2016 to fund infrastructure improvements in the utility system.

The Village, through the Chicago Metropolitan Agency for Planning (CMAP) Local Technical Assistance program, the McHenry County Council of Governments (MCCG) and McHenry County is currently collaborating on an effort to develop a coordinated investment study. The study will be developed over approximately two years and provide an analysis of opportunities for sharing services and coordinating transportation-related improvements and maintenance, as well as technical guidance on the process of implementing a network of shared services and assets. Algonquin has been a leader in this area, sharing services and performing joint purchasing with communities in our region.

In February of 2018, construction began transforming Algonquin's Main Street into a beautiful, pedestrian friendly environment while helping to preserve the character and history of the area. This phase of construction (from Algonquin Road/IL-62 south to IL-31) will last through 2018 and include updated utilities, street improvements and enhanced pedestrian amenities. The project is the centerpiece of the multi-year effort to revitalize the Old Town Algonquin area to support local businesses and encourage private investment in the immediate area. A tax increment financing district was established in the Old Town area in 2014 to further advance this outcome.

At a regional level, the construction of Longmeadow Parkway, a four-lane Fox River Bridge crossing and four-lane arterial roadway corridor with a median, approximately 5.6 miles in length, continues with two sections already constructed and two more actively under construction. The construction of the last section, from IL-31 to IL-25 and a new bridge over the Fox River, is anticipated to occur from late 2018 to late 2021. Additionally, work to widen Randall Road to six lanes from Harnish Drive in Algonquin to Polaris Drive in

Lake in the Hills began in September of 2018. This work also includes adding additional turn lanes and capacity at the intersection of Randall Road and Algonquin Road. This intersection is one of the most heavily traveled in the Chicago metropolitan area and experiences severe traffic congestion which impacts economic viability and regional mobility in the area. Work is expected to continue through 2021.

Awards & Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Algonquin for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30, 2017. This was the fourteenth year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, the Village published an easily readable and efficiently organized CAFR. This report satisfied both generally accepted accounting principles and applicable legal requirements.

The Village also received the GFOA's Award for Distinguished Budget Presentation for its 2018 budget document. This was the fourteenth year the Village has received this prestigious award. In order to receive this award, a government must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

A Certificate of Achievement is valid for a period of one year only. We believe that the 2018 CAFR continues to meet the Certificate of Achievement Program requirements and we are submitting the report to the GFOA to determine its eligibility for another award.

In closing, I would like to thank the Village President, Board of Trustees and Village Manager for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Algonquin's finances. The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance team. I would like to express my appreciation especially to Susan Skillman, Comptroller, and Jodie Proschwitz, Senior Accountant, and all other members of the team who assisted and contributed to the preparation of this report.

Respectfully submitted,



Michael J. Kumbera
Assistant Village Manager/Treasurer

FINANCIAL SECTION

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Algonquin, 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 Algonquin, Illinois (the Village) as of and for the year ended April 30, 2018, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Southeast Emergency Communications (SEECOM), which represent 0.39%, 0.45%, and 1.4% of the assets, net position and revenues of the governmental activities, respectively. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it related to the amounts included for SEECOM, 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to

design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, 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 Algonquin, Illinois, as of April 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity 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 management's discussion and analysis and other required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying

accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Sikich LLP

Naperville, Illinois
September 14, 2018

**GENERAL PURPOSE
EXTERNAL FINANCIAL STATEMENTS**

The Village of Algonquin's (the "Village") management discussion and analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page vi) and the Village's financial statements (beginning on page 4).

Financial Highlights

- **The Village's net** position increased by \$4.3 million (or 1.7%) from FY17 to \$254.6 million.
- The governmental activities net position increased by \$5.3 million (or 2.8%) from FY17 to \$195.8 million.
- The business type activities net position decreased by \$1.0 million (or 1.7%) from FY17 to \$58.8 million.
- The total revenues of all governmental activity programs increased by \$1.4 million and expenses decreased \$3.8 million from FY17.
- The total revenues of business-type activity programs increased by \$1.6 million and expenses increased \$0.7 million from FY17.
- Total Village expenses decreased by \$3.1 million (or 9.3%).
- **The Village's** combined general fund balance increased by \$1.4 million from FY17.
- **The Village's** combined general fund actual revenues were over the budgeted amounts by \$0.7 million and actual expenditures were under the budgeted amounts by \$1.2 million.
- The **Village's capital assets** decreased by \$0.5 million to \$236.2 million from FY17.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

The financial statement's focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government), and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 4-7) are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns, which add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see pages 6-7) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The **Governmental Activities** reflect the Village's basic services, including public safety, public works, and general government. Shared state sales tax, home rule sales tax, local utility and shared state income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water and Sewer), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types.

The Governmental Major Funds (see pages 8-12) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police Pension, see pages 18 and 19). The Police Pension Fund (a pension trust fund) represents trust responsibilities of the Village. These assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, the assets in this fund are not presented as part of the Government-Wide Financial Statements.

While the Business-type Activities column on the Business-type Fund Financial Statements (see pages 13-17) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Major Funds Total column requires a reconciliation. This is because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 10 and 12). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide statements).

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure assets – i.e., land, streets, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. This statement requires that these assets be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. The Village has chosen to depreciate assets over their useful lives. If a street project is considered maintenance – a recurring cost that does not extend the street's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a street will be considered maintenance whereas a "rebuild" of a street will be capitalized.

GOVERNMENT-WIDE STATEMENTS

Statement of Net Position

The Village's combined net position increased by \$4.3 million from FY17 – increasing from \$250.3 million to \$254.6 million. The following analysis will look at net position and net expenses of the governmental and business-type activities separately. The total net position for the governmental activities increased \$5.3 million from \$190.5 million to \$195.8 million. The business-type activities net position decreased by \$1.0 million from \$59.8 million to \$58.8 million. Table 1 reflects the condensed Statement of Net Position compared to FY17. Table 2 will focus on the changes in net position of the governmental and business-type activities. A detailed analysis of the changes can be found in the section for Current Year Impacts on page MD&A 6.

Table 1: Statement of Net Position
 As of April 30, 2018 and 2017
 (in millions)

	Governmental		Business-Type		Total Primary	
	Activities		Activities		Government	
	2018	2017	2018	2017	2018	2017
Current and Other Assets	\$ 41.5	\$ 40.3	\$ 15.8	\$ 14.3	\$ 57.3	\$ 54.6
Capital Assets	185.0	183.2	51.2	53.4	236.2	236.6
Total Assets	226.5	223.5	67.0	67.7	293.5	291.2
Deferred Outflows of Resources	0.5	1.9	0.2	0.5	0.7	2.4
Total Assets & Deferred Outflows	227.0	225.4	67.2	68.2	294.2	293.6
Long-Term Liabilities	18.2	22.6	5.3	6.8	23.5	29.4
Other Liabilities	3.0	3.1	2.4	1.4	5.4	4.5
Total Liabilities	21.2	25.7	7.7	8.2	28.9	33.9
Deferred Inflows of Resources	10.0	9.1	0.7	0.2	10.7	9.3
Total Liabilities & Deferred Inflows	31.2	34.8	8.4	8.4	39.6	43.2
Net Position:						
Net Investment in Capital Assets	183.8	181.4	45.9	47.5	229.7	228.9
Restricted	4.5	6.5	0.8	0.8	5.3	7.3
Unrestricted	7.5	2.6	12.1	11.5	19.6	14.1
Total Net Position	\$195.8	\$190.5	\$ 58.8	\$ 59.8	\$254.6	\$250.3

For more detailed information see the Statement of Net Position (pages 4 and 5).

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 reduce current assets and increase capital assets. There is a second impact, an increase in net investment in capital assets and an increase in related net debt which will not change the 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 investment in capital assets.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and net investment in capital assets.

Current Year Impacts

The Village's \$4.3 million increase of combined net position (which is the Village's bottom line) was the result of the governmental activities net position increasing by \$5.3 million and the business-type activities decreasing by \$1.0 million.

The governmental activities total assets increased by \$3.0 million and the governmental activities total liabilities decreased by \$4.5 million. The total assets increase of \$3.0 million was a result of an increase of \$1.8 million in capital assets and an increase of \$1.2 million in current and other assets. The increase in capital assets was due to increases of \$2.9 million in other improvements and \$0.9 million in land. This was offset with decreases of \$1.3 million in construction in progress; \$0.3 million in buildings; \$0.3 million in streets/storm sewers/bridges, and \$0.1 million in vehicles and equipment. The increase in current and other assets was due mainly to increases of \$3.4 million in cash and investment; \$0.4 million in investment in joint venture; and \$0.1 million in property taxes. This was offset by decreases of \$1.5 million in intergovernmental, grants, and contributions; \$0.7 million in internal balances; and \$0.5 million in other taxes.

The governmental activities deferred outflows of resources decreased by \$1.4 million due mainly to decreases of pension items relating to the Police Pension Fund of \$0.6 million and IMRF of \$0.7 million (See Note 10 and 12 in the Notes to Financial Statements for additional information).

The governmental activities total liabilities decreased by \$4.5 million due to a decrease of \$4.4 million in long-term liabilities and \$0.1 million in other liabilities.

The governmental activities deferred inflows of resources increased \$0.9 million due to the addition of pension items for IMRF of \$1.2 million which was offset by a reduction in the Police Pension Fund of \$0.4 million (See Note 10). Deferred property tax revenue also increased by \$0.1 million.

The net position of the business-type activities decreased by \$1.0 million from \$59.8 million to \$58.8 million. Total assets of the business-type activities decreased by \$0.7 million from \$67.7 to \$67.0 million. The total assets decrease of \$0.7 million was a result of a decrease in capital assets of \$2.2 million and an increase in current and other assets of \$1.5 million. The capital asset decrease of \$2.2 million in the business-type activities occurred mainly as a result of decreases in water and sewer improvements of \$3.0 million; \$0.1 million in vehicles and equipment; and \$0.3 million in buildings. These decreases were offset by an increase of \$1.2 million in construction in progress. The overall decrease was due mainly to capital assets depreciation. The increase in current assets of \$1.5 million was mainly due to an increase of \$0.8 million in cash and investments, and \$0.7 million in accounts receivable. Expenses exceeded revenues during FY18, which resulted in a net decrease of \$1.0 million.

Total liabilities of the business-type activities decreased by \$0.5 million from \$8.2 million to \$7.7 million. The long-term liabilities decreased by \$1.5 million due to the decrease of G.O. Bonds Payable for the wastewater treatment plant expansion. Other liabilities increased \$1.0 million in accounts payable from the previous year.

Changes in Net Position

The following chart compares the revenue and expenses for the current fiscal year.

Table 2: Changes in Net Position
 For the Fiscal Years Ended April 30, 2018 and 2017
 (in millions)

	Governmental		Business-Type		Total Primary	
	Activities		Activities		Government	
	2018	2017	2018	2017	2018	2017
Revenues						
Program Revenues						
Charges for Service	\$ 1.6	\$ 1.5	\$ 8.5	\$ 7.0	\$ 10.1	\$ 8.5
Operating Grants & Contributions	1.1	1.1	-	-	1.1	1.1
Capital Grants & Contributions	1.7	0.4	-	-	1.7	0.4
General Revenues						
Property Taxes	6.4	6.3	-	-	6.4	6.3
Other Taxes	17.2	17.4	-	-	17.2	17.4
Other	0.9	0.8	0.2	0.1	1.1	0.9
Total Revenue	28.9	27.5	8.7	7.1	37.6	34.6
Expenses						
Governmental Activities						
General Government	4.1	5.0	-	-	4.1	5.0
Public Safety	9.1	9.6	-	-	9.1	9.6
Public Works	10.4	12.8	-	-	10.4	12.8
Interest	-	-	-	-	-	-
Business Type						
Water and Sewer	-	-	9.7	9.0	9.7	9.0
Total Expenses	23.6	27.4	9.7	9.0	33.3	36.4
Change in Net Position	5.3	0.1	(1.0)	(1.9)	4.3	(1.8)
Net position - beginning	190.5	190.4	59.8	61.7	250.3	252.1
Net position - ending	\$ 195.8	\$ 190.5	\$ 58.8	\$ 59.8	\$ 254.6	\$ 250.3

There are eight basic impacts on revenues and expenses as reflected below:

Normal Impacts

Revenues:

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

Increase/Decrease in Village Board approved rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, 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 (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment income – the **Village's investment portfolio is managed using a similar average** maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Programs – within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 55.6% of the **Village's** operating costs.

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 – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

Governmental Activities

Revenue:

Total revenues for Governmental Activities increased \$1.4 million from \$27.5 million to \$28.9 million. Increases of \$0.1 million in charges for service, \$1.3 million in capital grants/contributions, \$0.1 million property taxes, and \$0.1 million in other revenue were offset by a decrease of \$0.2 million in other taxes. The \$1.3 million increase in capital grants/contributions was due to a capital developer donation in the street fund. Other taxes decreased \$0.2 million due to overall slight decreases in income tax, home rule sales tax, and telecommunication tax. Other revenues increased by \$0.1 million due to an increase in investment income from the previous year. Property tax revenue increased due to an increase in the property tax collections due to an increased EAV in FY17.

The Village has a diversified revenue structure and depends on several key revenue sources to help pay for the services provided. The Village attempts to maintain its property tax level and capture new revenues from growth. Due to recent upturns in the housing market values, **the Village's EAV** increased by approximately 5.4% from levy year 2016 (\$852,365,740) to levy year 2017 (\$900,634,801). **The Village's property tax rate was** 0.6570 in 2016 and 0.6218 in 2017.

In the general government, state shared income tax decreased 1.68% from FY17 to FY18. There were also slight decreases in home rule sales tax and telecommunication tax collections. Property tax and sales tax collections increased slightly. Overall, total revenues were mostly unchanged.

Expenses:

The Village's governmental activities total expenses decreased \$3.8 million for FY18.

General Government expenses decreased \$0.9 million from \$5.0 million to \$4.1 million. The General Government expenses decreased mainly due to government wide adjustments for capital assets, IMRF net pension liabilities, and joint ventures during FY18.

Public Safety expenses decreased \$0.5 million from \$9.6 million to \$9.1 million. The Public Safety expenses decreased mainly due to government wide adjustments for capital assets and police pension net pension liabilities during FY 18.

Public Works expenses decreased \$2.4 million from \$12.8 million to \$10.4 million. The Public Works expenses decreased mainly due to a decrease in the street improvement fund infrastructure maintenance expenses and motor fuel tax maintenance expenses.

Interest expenses remained unchanged.

Business-type Activities

Revenue:

Total revenues for Business-type Activities increased \$1.6 million from \$7.1 million to \$8.7 million. There was an increase of \$1.5 million in charges for service and \$0.1 million in other revenues. The \$1.5 million increase in charges for services included increases of \$0.7 million in infrastructure fees, \$0.6 million in water and sewer revenue, and \$0.1 million in connection fees. The \$0.7 million increase in infrastructure fees was due to FY 18 being the first full year of collections for this new fee (November 2016), and an increase of \$0.6 million due to a scheduled rate increase. Connections fees increased \$0.1 million due to improved development in FY18.

Expenses:

The Village's Business-type Activities total expenses increased \$0.7 million from \$9.0 million to \$9.7 million. The overall change in expenses was due to an increase of \$.7 million in infrastructure maintenance expenses.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At April 30, 2018, the governmental funds (as presented on the balance sheet on page 8-9) reported a combined fund balance of \$32.8 million or an increase of 6.3% from \$30.7 million at the beginning of the year. Of the total fund balance, \$11.8 million is unassigned indicating availability for continuing Village services. Total assets increased \$3.8 million and total liabilities and deferred inflows of resources increased \$1.7 million for an overall increase of \$2.1 million in fund balance.

The increase of \$3.8 million in total assets consisted of an increase of \$3.3 million in cash and investments, \$0.1 million in property tax receivable, and \$2.3 million in advance to other funds. These increases were offset by decreases of \$1.5 million in intergovernmental, grants, and contributions, and \$0.4 million in other tax receivables. The increase in total liabilities and deferred inflows of resources of \$1.7 million was due to increases of \$3.0 million in advances from other funds and \$0.1 million in deferred inflows of resources. These increases were offset by a \$1.4 million decrease in accounts payable.

The general fund total fund balance increased \$1.4 million from \$17.0 million in FY17 to \$18.4 million in FY18. General fund assets had a net increase of \$1.1 million due to an increase of \$1.7 million in cash and investments which was offset by decreases of \$0.4 million in other taxes, \$0.1 million in property tax receivable, and \$0.1 million in IPBC (insurance pool) receivable. General fund total liabilities decreased \$0.3 million due to a decrease in accounts payable. Deferred inflows of resources for property tax revenue remained unchanged from FY17 to FY18.

The street improvement fund total fund balance increased \$2.2 million to \$13.5 million from FY17 to FY18. Assets increased \$1.5 million from FY17 to FY18. This included an increase in advances to other funds of \$2.3 million (TIF fund expenses), and \$0.4 million in cash and investments. These increases were offset by a decrease of \$1.2 million in intergovernmental, grants, and contributions. Street improvement fund total liabilities decreased \$0.6 million due to a decrease in accounts payable from FY17 to FY18.

The downtown TIF district fund was a major fund in FY18 and total fund balance decreased \$2.7 million to a negative fund balance of \$4.3 million from FY17 to FY18. Assets increased \$0.5 million due to an increase of \$0.4 million in cash and investments and \$0.1 million in property tax receivables. Total liabilities increased \$3.1 million due to an increase in advances from other funds. Deferred inflows of resources increased \$0.1 million due to an increase in unavailable property tax revenue from FY17 to FY18.

General Fund Budgetary Highlights

Below is a table that reflects the budget and the actual revenues and expenditures for the General Fund. More information can be found on the schedule of revenues, expenditures and changes in fund balance – budget and actual on page 55. Actual spending was \$1.2 million less than the budget, which was due to actual expenses less than budget of \$0.6 million in general government, \$0.3 million in public safety, and \$0.3 million in public works.

The \$0.6 million savings in general government expenses was due to savings of \$0.3 million in other charges, \$0.2 million in personnel, \$0.1 million in administration contractual services.

The \$0.3 million savings in public safety expenses was due mainly to personnel savings relating to salaries and insurance.

The \$0.3 million savings in public works was due to savings in personnel, commodities, and contractual services within the general services divisions. Personnel (salaries) had savings of \$0.1 million, and commodities and contractual services combined had savings of \$0.1 million.

Table 3: General Fund Budgetary Highlights
 (in millions)

	Original Budget	Amended Budget	Actual
Revenues			
Taxes	\$ 6.165	\$ 6.165	\$ 6.137
Intergovernmental, Grants & Contributions	11.298	11.300	11.660
Other	1.950	1.950	2.345
Total Revenues	\$ 19.413	\$ 19.415	\$ 20.142
Expenditures and Transfers			
Expenditures	\$ 19.154	\$ 19.290	\$ 18.075
Transfers and Other Financing Sources (Uses)	0.625	0.625	0.625
Total Expenditures and Transfers Out	19.779	19.915	18.700
Change in Fund Balance	\$ (0.366)	\$ (0.500)	\$ 1.442

Capital Assets

At the end of FY18, the Village had a combined total of capital assets of \$236.2 million invested in a broad range of capital assets including land, buildings, vehicles, streets, bridges, storm sewers, water mains and sanitary sewer lines. (See Table 4 below.) This amount represents a net decrease (including additions and deletions) of \$0.5 million.

Major capital asset events during the current fiscal year included the following:

- Fiber optic cable installation at the Algonquin corporate campus for \$0.2 million.
- Construction of Highland Avenue multi-use bike path for \$0.3 million.
- Downtown streetscape improvements (streets/water/sewer) for \$2.7 million.
- Surrey Lane creek and drainage repairs for \$2.2 million.
- Completion of Highland Avenue street construction totaling \$2.5 million.
- Randall Road pedestrian underpass for \$0.1 million.
- Water distribution system improvements for \$0.7 million.
- Wastewater treatment facility improvements for \$0.4 million.

Table 4: Capital Assets at Year-End
 Net of Depreciation
 (in millions)

	Governmental		Business-Type		Total Primary	
	Activities		Activities		Government	
	2018	2017	2018	2017	2018	2017
Land & Right of Way	\$ 95.60	\$ 94.68	\$ 3.64	\$ 3.64	\$ 99.24	\$ 98.32
Construction in Progress	4.42	5.76	1.42	0.21	5.84	5.97
Buildings	9.95	10.27	11.60	11.95	21.55	22.22
Vehicles and Equipment	1.19	1.30	0.30	0.37	1.49	1.67
Improvements other than Building	10.43	7.49	-	-	10.43	7.49
Streets, Storm Sewers, Bridges	63.42	63.72	-	-	63.42	63.72
Water and Sewer	-	-	34.21	37.24	34.21	37.24
Total	\$ 185.01	\$ 183.22	\$ 51.17	\$ 53.41	\$ 236.18	\$ 236.63

The following reconciliation summarizes the changes in Capital Assets which is presented in detail on pages 31 and 32 of the notes.

Table 5: Change in Capital Assets
 (in millions)

	Governmental		Business-Type		Total
	Activities		Activities		
Beginning Balance	\$ 183.22		\$ 53.41		\$ 236.63
Additions					
Depreciable	6.64		-		6.64
Non-Depreciation	0.92		1.21		2.13
Construction in Progress	4.90		-		4.90
Retirements					
Depreciable	(0.29)		(0.06)		(0.35)
Non-Depreciation	-		-		-
Construction in Progress	(6.24)		-		(6.24)
Depreciation					
Retirement	(4.14)		(3.39)		(7.53)
Ending Balance	\$ 185.01		\$ 51.17		\$ 236.18

The Governmental Activities net Capital Assets net increase of \$1.8 million was due mainly to increases in improvements other than building (\$2.9 million); and land (\$0.9 million) that were offset with decreases in construction in progress (\$1.3 million), streets/storm sewers/bridges (\$0.3 million), buildings (\$0.3 million), and vehicles and equipment (\$0.1 million). The improvements other than building increased mainly due to the reduction of completed projects previously in construction in progress. There were two major land acquisitions during FYE 18 totaling \$0.9 million. Decreases in the remaining various accounts were due to normal depreciation expense.

The Business-type Activities net decrease of \$2.2 million in net Capital Assets was due mainly to decreases noted in water and sewer improvements (\$3.0 million), buildings (\$0.3 million), and vehicles and equipment (\$0.1 million) which were offset by an increase in construction in progress (\$1.2 million). Land remained relatively unchanged. Decreases were due mainly to normal depreciation expense.

Additional information concerning capital assets can be found in Note 4.

Debt Outstanding

Since the mid-1990's, the Village of Algonquin has followed a "pay-as-you-go" philosophy to funding capital projects. Exceptions to this philosophy had been bonds issued to pay for the construction of the Village Hall (Ganek Municipal Center) in 1995-1996 and the Public Works Facility in 2002-2003. In December 2005, the Village authorized Bond Series 2005A for \$9,000,000 to partially finance the expansion of Phase 6 of the Wastewater Treatment Plant. Bond Series 2013 was issued for \$7,645,000 to refund Series 2005A. Bond Series 2005B was issued for \$2,935,000 to refund Series 2002B. Bond Series 2014A was issued for \$2,885,000 to refund Series 2005B. The Village has established the following five funds to accumulate monies over time to systematically construct and/or replace major assets: Motor Fuel Tax, Street Improvement, Parks, Water and Sewer Improvement and Construction, and the Village Expansion. The Village also created a Downtown TIF District Fund to account for activities associated with improvements within the established downtown TIF district. The current Home Rule Sales Tax of 0.75% was allocated as an additional revenue source for capital and infrastructure to assist in the "pay as you go" philosophy. In FY18, 100% of the Home Rule Sales Tax is allocated to the Street Improvement Fund to provide funds for continued street infrastructure maintenance and improvements.

The Village currently has two general obligation bond series. A total of \$6.460 million of general obligation bonds were outstanding at April 30, 2018. The governmental activities have \$1.215 million of general obligation bonds outstanding; business-type activities have \$5.245 million of general obligation bonds outstanding.

The Village, under its home rule authority, does not have a legal debt limit.

Additional information concerning long-term debt can be found in Note 7.

Economic Factors

The Village will continue to rely on sales tax and property taxes until the state economy improves and the state is able to operate a balanced budget without impairing local governments. The Village held the property tax levy steady in recent years and the property tax rate has decreased due to the increase in the Village's EAV. The 2017 tax extension increased by approximately 1.7% for property tax collections in FY18. The Village did experience the loss of some retail stores and restaurants during the fiscal year; however, several have been replaced with new tenants during FY18. The financial condition of the State government has continued to have a negative effect on the Village of Algonquin during the past few years. The FY18 state income and local use tax combined decreased by 1.7% from FY17. This was primarily due to decreases in the income tax per capita of 2.2% and a decrease in the disbursement amount of 2.5%. Current estimates indicate that the 2018 per-capita allocations will trend slightly upward in FY19. The State of Illinois continues to discuss cutting the local government's share of the state income tax and possibly freezing property taxes for home rule communities such as the Village of Algonquin.

Construction in the local residential housing market decreased only slightly during FY18 (from 34 permits in 2017 to 33 in 2018). The number of new permits for commercial construction remained unchanged (two permits in 2017 and 2018). The Village's growth in sales tax revenues, EAV, and property tax receipts continue to increase each year. Sales tax revenues increased .01% from FY17 to FY18. The property tax receipts had a 1.7% increase from FY17 to FY18.

The Village's population decreased to 30,046 with the 2010 Census (down from 30,482 reported in the 2007 Special Census). The Village has been able to budget for stable property tax receipts due its status of a home rule community.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of **the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning** this report or requests for additional financial information should be directed to Michael Kumbera, Assistant Village Manager or Susan Skillman, Comptroller, Village of Algonquin, 2200 Harnish Drive, Algonquin, IL 60102.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 18,219,369	\$ 8,985,808	\$ 27,205,177
Investments	13,298,572	4,118,325	17,416,897
Restricted investments	-	824,426	824,426
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	6,102,375	-	6,102,375
Other taxes	3,156,363	-	3,156,363
Intergovernmental, grants, and contributions	74,430	-	74,430
IPBC	99,713	-	99,713
Accrued interest	18,134	-	18,134
Accounts	5,619	1,012,556	1,018,175
Other	255,636	-	255,636
Internal balances	(871,552)	871,552	-
Prepaid items	83,165	19,702	102,867
Inventory	141,527	-	141,527
Investment in joint venture	876,924	-	876,924
Capital assets			
Nondepreciable	100,023,868	5,062,337	105,086,205
Depreciable, net of accumulated depreciation	84,981,882	46,104,309	131,086,191
 Total assets	 226,466,025	 66,999,015	 293,465,040
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - Police Pension Fund	332,522	-	332,522
Pension items - IMRF	184,738	80,213	264,951
Deferred loss on refunding	20,717	118,418	139,135
 Total deferred outflows of resources	 537,977	 198,631	 736,608
 Total assets and deferred outflows of resources	 227,004,002	 67,197,646	 294,201,648

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable	\$ 1,473,737	\$ 1,544,284	\$ 3,018,021
Accrued interest	2,531	13,285	15,816
Unearned revenue - other	179,384	-	179,384
Other liabilities	45,878	-	45,878
Noncurrent liabilities			
Due within one year	1,289,429	801,873	2,091,302
Due in more than one year	18,175,337	5,315,518	23,490,855
Total liabilities	21,166,296	7,674,960	28,841,256
DEFERRED INFLOWS OF RESOURCES			
Pension items - Police Pension Fund	2,205,666	-	2,205,666
Pension items - IMRF	1,696,835	736,759	2,433,594
Deferred property tax revenue	6,102,375	-	6,102,375
Total deferred inflows of resources	10,004,876	736,759	10,741,635
Total liabilities and deferred inflows of resources	31,171,172	8,411,719	39,582,891
NET POSITION			
Net investment in capital assets	183,768,380	45,841,568	229,609,948
Restricted for			
Donor programs	810,139	-	810,139
Insurance	451,818	-	451,818
Street maintenance	2,602,168	-	2,602,168
Capital projects	363,911	-	363,911
Cemetery	320,242	-	320,242
Debt service	-	824,426	824,426
Unrestricted	7,516,172	12,119,933	19,636,105
TOTAL NET POSITION	\$ 195,832,830	\$ 58,785,927	\$ 254,618,757

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2018

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 4,117,420	\$ 1,286,862	\$ 110,091	\$ 174,613
Public safety	9,111,816	364,744	135,942	-
Public works	10,361,180	-	871,269	1,525,470
Debt service - interest and fees	34,363	-	-	-
Total governmental activities	23,624,779	1,651,606	1,117,302	1,700,083
Business-Type Activities				
Waterworks and sewerage	9,731,632	8,480,944	-	-
Total business-type activities	9,731,632	8,480,944	-	-
TOTAL PRIMARY GOVERNMENT	\$ 33,356,411	\$ 10,132,550	\$ 1,117,302	\$ 1,700,083

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (2,545,854)	\$ -	\$ (2,545,854)
	(8,611,130)	-	(8,611,130)
	(7,964,441)	-	(7,964,441)
	(34,363)	-	(34,363)
	<u>(19,155,788)</u>	-	<u>(19,155,788)</u>
	-	(1,250,688)	(1,250,688)
	-	(1,250,688)	(1,250,688)
	<u>(19,155,788)</u>	<u>(1,250,688)</u>	<u>(20,406,476)</u>
General Revenues			
Taxes			
Property	6,376,663	-	6,376,663
Home rule sales tax	4,187,426	-	4,187,426
Utility	919,160	-	919,160
Telecommunications	635,635	-	635,635
Hotel	45,678	-	45,678
Video gaming tax	110,846	-	110,846
Intergovernmental, unrestricted			
Sales and use tax	7,733,394	-	7,733,394
Personal property replacement	57,582	-	57,582
Income tax	3,519,185	-	3,519,185
Franchise fees	531,436	-	531,436
Investment income	276,459	147,987	424,446
Miscellaneous	121,170	86,137	207,307
Total	<u>24,514,634</u>	<u>234,124</u>	<u>24,748,758</u>
CHANGE IN NET POSITION	5,358,846	(1,016,564)	4,342,282
NET POSITION, MAY 1	<u>190,473,984</u>	<u>59,802,491</u>	<u>250,276,475</u>
NET POSITION, APRIL 30	<u>\$ 195,832,830</u>	<u>\$ 58,785,927</u>	<u>\$ 254,618,757</u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2018

	General	Street Improvement	Downtown TIF District	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
ASSETS					
Cash and cash equivalents	\$ 7,228,494	\$ 6,070,950	\$ 544,529	\$ 4,375,396	\$ 18,219,369
Investments	8,661,340	3,867,965	-	769,267	13,298,572
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	5,600,003	-	491,372	11,000	6,102,375
Other taxes	1,997,065	1,079,548	-	79,750	3,156,363
Intergovernmental, grants, and contributions	3,248	2,399	-	68,783	74,430
IPBC	99,713	-	-	-	99,713
Accrued interest	18,134	-	-	-	18,134
Other	255,636	-	-	-	255,636
Due from other funds	43,519	-	-	-	43,519
Advance to other funds	654,967	3,360,150	-	-	4,015,117
Prepaid items	83,014	-	-	151	83,165
TOTAL ASSETS	\$ 24,645,133	\$ 14,381,012	\$ 1,035,901	\$ 5,304,347	\$ 45,366,393

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

April 30, 2018

	General	Street Improvement	Downtown TIF District	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 378,723	\$ 886,585	\$ -	\$ 127,023	\$ 1,392,331
Unearned revenue	179,384	-	-	-	179,384
Advances from other funds	-	-	4,886,669	-	4,886,669
Other liabilities	45,878	-	-	-	45,878
Total liabilities	603,985	886,585	4,886,669	127,023	6,504,262
DEFERRED INFLOWS OF RESOURCES					
Unavailable property tax revenue	5,600,003	-	491,372	11,000	6,102,375
Total deferred inflows of resources	5,600,003	-	491,372	11,000	6,102,375
Total liabilities and deferred inflows of resources	6,203,988	886,585	5,378,041	138,023	12,606,637
FUND BALANCES (DEFICIT)					
Nonspendable					
Prepays	83,014	-	-	151	83,165
Advances	654,967	-	-	-	654,967
Restricted					
Donor programs	810,139	-	-	-	810,139
Insurance	451,818	-	-	-	451,818
Street maintenance	-	-	-	2,602,168	2,602,168
Capital projects	-	-	-	363,911	363,911
Cemetery	-	-	-	320,242	320,242
Assigned					
Capital projects	266,343	13,494,427	-	1,230,930	14,991,700
Debt service	-	-	-	648,922	648,922
Historic commission	9,825	-	-	-	9,825
Unrestricted					
Unassigned	16,165,039	-	(4,342,140)	-	11,822,899
Total fund balances (deficit)	18,441,145	13,494,427	(4,342,140)	5,166,324	32,759,756
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 24,645,133	\$ 14,381,012	\$ 1,035,901	\$ 5,304,347	\$ 45,366,393

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2018

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 32,759,756
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	185,005,750
Less internal service fund capital assets included below	(111,494)
Deferred loss on refunding of debt is not considered to represent a financial resource and, therefore, is not reported in the governmental funds	20,717
Investment in joint venture is not considered to represent a financial resource and, therefore, is not reported in the funds	876,924
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	133,715
Differences between expected and actual experiences, assumption changes, net difference between projected and actual earnings, and contributions after the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows or resources on the statement of net position	(1,512,097)
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows or resources on the statement of net position	(1,873,144)
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as in governmental funds	
Accrued interest	(2,531)
Net other postemployment benefit obligation	(468,373)
Compensated absences	(1,060,168)
Unamortized premium	(37,108)
Capital lease	(5,979)
Net pension liability - IMRF	(1,044,764)
Net pension liability - Police Pension Plan	(15,633,374)
General obligation bonds payable	(1,215,000)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 195,832,830</u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2018

	General	Street Improvement	Downtown TIF District	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 6,137,393	\$ 5,392,622	\$ 381,505	\$ 363,887	\$ 12,275,407
Intergovernmental, grants, and contributions	11,659,861	52,469	-	1,054,740	12,767,070
Charges for services	324,004	-	-	27,450	351,454
Licenses and permits	774,553	-	-	-	774,553
Fines and forfeits	414,078	-	-	-	414,078
Investment income	165,398	85,687	182	49,852	301,119
Miscellaneous	667,255	-	-	22,689	689,944
Total revenues	20,142,542	5,530,778	381,687	1,518,618	27,573,625
EXPENDITURES					
Current					
General government	4,061,782	-	889,517	40,842	4,992,141
Public safety	9,391,707	-	-	-	9,391,707
Public works	4,419,736	2,363,997	-	283,744	7,067,477
Capital outlay	177,347	1,013,925	2,162,252	89,255	3,442,779
Debt service					
Principal retirement	23,138	-	-	565,000	588,138
Interest and fiscal charges	1,647	-	-	42,210	43,857
Total expenditures	18,075,357	3,377,922	3,051,769	1,021,051	25,526,099
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,067,185	2,152,856	(2,670,082)	497,567	2,047,526
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	625,000	625,000
Transfers (out)	(625,000)	-	-	-	(625,000)
Total other financing sources (uses)	(625,000)	-	-	625,000	-
NET CHANGE IN FUND BALANCES	1,442,185	2,152,856	(2,670,082)	1,122,567	2,047,526
FUND BALANCES (DEFICIT), MAY 1	16,998,960	11,341,571	(1,672,058)	4,043,757	30,712,230
FUND BALANCES (DEFICIT), APRIL 30	\$ 18,441,145	\$ 13,494,427	\$ (4,342,140)	\$ 5,166,324	\$ 32,759,756

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2018

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 2,047,526
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	4,831,215
Contributions of capital assets	1,410,000
Sales of capital assets are reported as proceeds in the governmental funds but are treated as a gain (loss) on from sale on the statement of activities	(90,175)
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	
Principal on bonds	565,000
Principal on capital lease	23,138
The change in the net pension liability for the Illinois Municipal Retirement Fund and the related deferred inflows and outflows are only reported in the statement of activities	204,371
The change in the net pension liability for the Police Pension Fund and the related deferred inflows and outflows are only reported in the statement of activities	340,597
The change in the net position of the internal service funds is reported only in the statement of activities	20,252
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(4,347,128)
Change in investment in joint venture	386,947
Change in net other postemployment benefit obligation	(45,145)
Change in compensated absences	2,754
Change in accrued interest payable	942
Amortization of bond premium	19,361
Amortization of deferred loss on refunding	(10,809)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 5,358,846

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

April 30, 2018

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT ASSETS		
Cash and cash equivalents	\$ 8,985,808	\$ -
Investments	4,118,325	-
Receivables		
Accounts	1,012,556	5,619
Prepaid items	19,702	-
Inventory	-	141,527
Restricted assets - investments	824,426	-
	14,960,817	147,146
NONCURRENT ASSETS		
Advances to other funds	871,552	-
Capital assets		
Nondepreciable	5,062,337	-
Depreciable, net of accumulated depreciation	46,104,309	111,494
	51,166,646	111,494
Total noncurrent assets	52,038,198	111,494
Total assets	66,999,015	258,640
DEFERRED OUTFLOWS OF RESOURCES		
Pension items - IMRF	80,213	-
Deferred loss on refunding	118,418	-
	198,631	-
Total assets and deferred outflows of resources	67,197,646	258,640

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

April 30, 2018

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT LIABILITIES		
Accounts payable	\$ 1,544,284	\$ 81,406
Accrued interest	13,285	-
Due to other funds	-	43,519
Current portion of long-term debt	801,873	-
	2,359,442	124,925
LONG-TERM LIABILITIES		
Long-term liabilities	5,315,518	-
	5,315,518	-
Total long-term liabilities	7,674,960	124,925
Total liabilities	7,674,960	124,925
DEFERRED INFLOWS OF RESOURCES		
Pension items - IMRF	736,759	-
	8,411,719	124,925
NET POSITION		
Net investment in capital assets	45,841,568	111,494
Restricted for debt service	824,426	-
Unrestricted	12,119,933	22,221
	\$ 58,785,927	\$ 133,715
TOTAL NET POSITION	\$ 58,785,927	\$ 133,715

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

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

For the Year Ended April 30, 2018

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
OPERATING REVENUES		
Charges for services	\$ 7,075,668	\$ -
Administrative fee	86,437	-
Infrastructure fee	1,318,839	-
Maintenance billings	-	1,603,330
Fleet maintenance and fuel	-	372,404
Miscellaneous	86,137	867
Total operating revenues	<u>8,567,081</u>	<u>1,976,601</u>
OPERATING EXPENSES		
Water operations	2,794,460	-
Sewer operations	2,554,701	-
Nondepartmental	758,274	-
Building services	-	842,708
Vehicle maintenance	-	1,091,421
Depreciation	3,457,134	22,220
Total operating expenses	<u>9,564,569</u>	<u>1,956,349</u>
OPERATING INCOME (LOSS)	<u>(997,488)</u>	<u>20,252</u>
NON-OPERATING REVENUES (EXPENSES)		
Investment income	147,987	-
Interest expense and fiscal agent fees	(167,063)	-
Total non-operating revenues (expenses)	<u>(19,076)</u>	<u>-</u>
CHANGE IN NET POSITION	(1,016,564)	20,252
NET POSITION, MAY 1	<u>59,802,491</u>	<u>113,463</u>
NET POSITION, APRIL 30	<u><u>\$ 58,785,927</u></u>	<u><u>\$ 133,715</u></u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended April 30, 2018

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 8,404,183	\$ 372,404
Cash received for interfund services provided	-	1,610,530
Cash paid to suppliers	(2,676,676)	(1,090,221)
Cash paid to employees	(2,729,700)	(835,682)
Other receipts (payments)	86,137	867
	3,083,944	57,898
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Interfund activity	(739,431)	(57,898)
	(739,431)	(57,898)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(1,042,963)	-
Interest paid on bonds	(178,325)	-
Principal paid on general obligation bond maturities	(630,000)	-
	(1,851,288)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investment securities	(91,029)	-
Sale of investment securities	151,027	-
Interest received	147,987	-
	207,985	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	701,210	-
CASH AND CASH EQUIVALENTS, MAY 1	8,284,598	-
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 8,985,808	\$ -

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended April 30, 2018

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ (997,488)	\$ 20,252
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation and amortization	3,457,134	22,220
Changes in assets and liabilities		
Accounts receivable	(83,385)	7,200
Prepaid items	6,624	-
Inventory	-	9,522
Accounts payable	681,970	(1,296)
Pension related items	27,532	-
Compensated absences payable	(8,443)	-
NET CASH FROM OPERATING ACTIVITIES	\$ 3,083,944	\$ 57,898

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

April 30, 2018

	<u>Police Pension</u>
ASSETS	
Cash and short-term investments	\$ 386,956
Investments	
U.S. Treasury securities	2,693,415
U.S. agency securities	1,830,822
Equity mutual funds	14,431,453
Equities	3,043,540
The Illinois Funds	241,504
Money market mutual funds	479,499
Municipal bonds	143,854
Bond mutual fund	304,336
Corporate bonds	4,809,956
Receivables	
Accrued interest receivable	<u>88,518</u>
 Total assets	 <u>28,453,853</u>
LIABILITIES	
None	<u>-</u>
 Total liabilities	 <u>-</u>
NET POSITION RESTRICTED FOR PENSIONS	
	<u><u>\$ 28,453,853</u></u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

For the Year Ended April 30, 2018

ADDITIONS

Contributions	
Employer	\$ 1,900,000
Employee	409,143
	<hr/>
Total contributions	2,309,143
	<hr/>
Investment income	
Net appreciation in fair value of investments	1,111,568
Interest	693,677
	<hr/>
Total investment income	1,805,245
	<hr/>
Less investment expense	(93,182)
	<hr/>
Net investment income	1,712,063
	<hr/>
Total additions	4,021,206
	<hr/>

DEDUCTIONS

Benefits and refunds	1,170,771
Administration	43,767
	<hr/>
Total deductions	1,214,538
	<hr/>

NET INCREASE 2,806,668

**NET POSITION RESTRICTED
FOR PENSIONS**

May 1	<hr/>
	25,647,185
	<hr/>
April 30	\$ 28,453,853
	<hr/>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Algonquin, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America (hereinafter referred to as generally accepted accounting principles (GAAP)), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village is a municipal corporation governed by an elected Village President and six-member Village Board of Trustees. As required by GAAP, these financial statements present the Village and its component units, legally separate entities for which the Village is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the Village's operations and so data from these units are combined with data of the primary government. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was based upon the significance of its operational or financial relationship with the primary government. There are no component units that are required to be included in the Village's basic financial statements.

b. Fund Accounting

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

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds restricted, committed, or assigned for the acquisition or construction of major capital assets (capital projects funds), and the funds restricted, committed, or assigned for the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in another fund.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The Village utilizes a pension trust fund which is used to account for assets that the Village holds in a fiduciary capacity or on behalf of others as their agent.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village. It is used to account for all financial resources not accounted for in another fund.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Downtown TIF District Fund is used to account for the activities associated with improvements within established downtown Tax Increment Financing District.

The Street Improvement Fund is used to account for the construction, improvement, and maintenance of village streets. Financing is provided by developer contributions, utility taxes, telecommunication taxes, and transfers from other funds.

The Village reports the following major proprietary fund:

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

The Village reports on the following internal service funds:

The Vehicle Maintenance Fund is used to account for the fueling, maintenance, and repair of village owned vehicles and equipment. Financing is provided by other funds for this purpose.

The Building Service Fund is used to account for maintenance and repairs of village owned buildings. Financing is provided by other funds for this purpose.

The Village reports a pension trust fund as a fiduciary fund to account for the Police Pension Fund.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for certain revenues collected by the state (e.g., sales and telecom taxes) which use a 90-day period.

The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Those revenues susceptible to accrual are property taxes, utility taxes, franchise fees, licenses, interest revenue, and charges for services. Sales and telecommunication taxes owed to the state at year end on behalf of the Village also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria is met.

The Village reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the deferred inflow for unavailable/deferred revenue or the liability for unearned revenue is removed from the financial statements and revenue is recognized.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider their equity in pooled cash and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust fund are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Village and Police Pension Fund categorize the fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

f. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due to/from other funds" on the financial statements. Long-term interfund loans are classified as "advances to/from other funds."

g. Prepaid Items/Expenses and Inventory

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses. Amounts are recorded as expenditures/expenses using the consumption method.

Inventories are accounted for at cost, using the first-in, first-out method. Inventories are accounted for under the consumption method, whereby acquisitions are recorded in inventory accounts initially and charged as expenditures/expenses when used.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets

Capital assets which include land, buildings, building improvements, vehicles and equipment, infrastructure, which includes streets, storm sewers, bridges, and the water and sewer system, improvements other than buildings, and intangibles, which include internally generated software, easements and intangibles other than easements, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost ranging from \$25,000 to \$250,000, depending on asset type, and an estimated useful life of greater than one year. Purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated acquisition value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	50
Streets/bridges	40-50
Vehicles and equipment	3-10
Water and sewer system	20-40
Improvements other than buildings	5-50
Other equipment and other intangibles	4-20

i. Compensated Absences

Vested or accumulated vacation leave and sick leave that is due to employees who have retired or terminated by the end of the year is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation and sick leave of proprietary funds and governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees. The General Fund is typically used to liquidate these liabilities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, externally imposed by outside entities, or as a result of the Village's own enabling legislation. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include resolutions and ordinances (equally binding) approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The Village Board of Trustees has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund. Within the other governmental fund types the Board of Trustees assigns resources in accordance with the established fund purpose through the passage of the annual budget/appropriation ordinance. Any residual fund balance of the General Fund and any deficit balances in other governmental funds are reported as unassigned.

In the General Fund, the Village considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, followed by committed amounts then assigned amounts. Unassigned amounts are used only after the other categories of fund balance have been fully utilized.

In governmental funds other than the General Fund, the Village considers restricted amounts to have been spent last. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Village will first utilize assigned amounts, followed by committed amounts then restricted amounts.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the Village's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities columns, or proprietary fund financial statements. Bond premiums and discounts, as well as gains and losses on refundings, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premiums or discounts. Bond issuance costs are expensed as incurred.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations (Continued)

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

l. Interfund Transactions

Interfund service transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund service transactions and reimbursements, are reported as transfers.

m. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

n. Use of Estimates

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, deferred outflows, liabilities, deferred inflows, 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.

2. DEPOSITS AND INVESTMENTS

Permitted Deposits and Investments - Illinois statutes and the Village's investment policy authorizes the Village to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements 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 (a money market fund created by the State of Illinois under the State Treasurer that maintains a \$1 per share value).

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

a. Village Deposits and Investments

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety, liquidity, and yield.

Deposits with Financial Institutions

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. It is the policy of the Village to require that funds on deposit in excess of FDIC limits be secured by some form of collateral. The amount of collateral provided will not be less than 105% of the fair market value of the net amount of public funds secured. Pledged collateral will be held in safekeeping by an independent third party depository designated by the Village and evidenced by a safekeeping agreement. As of April 30, 2018, the Village was not exposed to custodial credit risk as all deposits were either insured or collateralized with investments held by the Village or its agent, in the Village's name.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2018:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury securities	\$ 252,407	\$ 189,155	\$ 63,252	\$ -	\$ -
U.S. agency securities	1,624,018	416,607	662,315	307,903	237,193
Municipal bonds	383,593	-	383,593	-	-
Negotiable certificates of deposit	1,797,201	100,021	1,697,180	-	-
TOTAL	\$ 4,057,219	\$ 705,783	\$ 2,806,340	\$ 307,903	\$ 237,193

The Village has the following recurring fair value measurements as of April 30, 2018. The U.S. agency securities, U.S. Treasury securities, municipal bonds, and negotiable CDs are valued using quoted matrix pricing models (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by matching its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village does not directly invest in securities maturing more than two years from the date of purchase. Reserved funds and other funds with longer term investment horizons may be invested in securities exceeding two years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk by limiting investments to the types of securities listed above and diversifying the investment portfolio to the best of its abilities based on the type of funds invested and the cash flow needs of those funds. The Illinois Funds and Illinois Metropolitan Investment Fund (IMET) are rated AAA. The Village's U.S. agency securities have ratings from AA+ to AAA. The Village's Municipal Bonds have ratings from AA to AA-. The negotiable certificates of deposit are not rated.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third party custodian and evidenced by safekeeping receipts and a written custodial agreement. The Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investments to avoid unreasonable risk. The investments shall be diversified by type of investment, number of institutions invested in, and length of maturity.

3. RECEIVABLES - PROPERTY TAXES

Property taxes for the 2017 levy year attach as an enforceable lien on January 1, 2017, on property value assessed as of the same date. Taxes are levied by December 31 of the subsequent fiscal year end by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1, 2018 and August 1, 2018, and are payable in two installments, on or about June 1, 2018 and September 1, 2018. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% to 2% of the tax levy, to reflect actual collection experience. The 2017 taxes are intended to finance the 2019 fiscal year and are not considered available for current operations and are, therefore, shown as unavailable/deferred revenue. The 2018 tax levy has not been recorded as a receivable at April 30, 2018, as the tax attached as a lien on property as of January 1, 2018; however, the tax will not be levied until December 2018 and, accordingly, is not measurable at April 30, 2018.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

Capital Assets

Capital asset activity for the year ended April 30, 2018 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 94,685,873	\$ 916,595	\$ -	\$ 95,602,468
Construction in progress	5,759,551	4,900,555	6,238,706	4,421,400
Total capital assets not being depreciated	100,445,424	5,817,150	6,238,706	100,023,868
Capital assets being depreciated				
Buildings	15,976,573	-	-	15,976,573
Improvements other than buildings	17,043,553	3,915,846	-	20,959,399
Vehicles and equipment	6,599,984	213,347	90,000	6,723,331
Streets/storm sewers/bridges	110,283,025	2,511,358	198,417	112,595,966
Total capital assets being depreciated	149,903,135	6,640,551	288,417	156,255,269
Less accumulated depreciation for				
Buildings	5,709,139	319,008	-	6,028,147
Improvements other than buildings	9,554,968	973,882	-	10,528,850
Vehicles and equipment	5,295,527	296,292	54,000	5,537,819
Streets/storm sewers/bridges	46,564,867	2,757,946	144,242	49,178,571
Total accumulated depreciation	67,124,501	4,347,128	198,242	71,273,387
Total capital assets being depreciated, net	82,778,634	2,293,423	90,175	84,981,882
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET				
	\$ 183,224,058	\$ 8,110,573	\$ 6,328,881	\$ 185,005,750
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 3,644,048	\$ -	\$ -	\$ 3,644,048
Construction in progress	213,395	1,204,894	-	1,418,289
Total capital assets not being depreciated	3,857,443	1,204,894	-	5,062,337
Capital assets being depreciated				
Water and sewer system	92,710,861	-	-	92,710,861
Buildings	17,403,306	-	-	17,403,306
Vehicles and equipment	1,326,449	-	62,106	1,264,343
Total capital assets being depreciated	111,440,616	-	62,106	111,378,510
Less accumulated depreciation for				
Water and sewer system	55,468,334	3,033,321	-	58,501,655
Buildings	5,456,039	348,066	-	5,804,105
Vehicles and equipment	954,800	75,747	62,106	968,441
Total accumulated depreciation	61,879,173	3,457,134	62,106	65,274,201
Total capital assets being depreciated, net	49,561,443	(3,457,134)	-	46,104,309
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET				
	\$ 53,418,886	\$ (2,252,240)	\$ -	\$ 51,166,646

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

Capital Assets (Continued)

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

GOVERNMENTAL ACTIVITIES

General government	\$ 218,378
Public safety	63,645
Highways and streets	<u>4,065,105</u>

TOTAL DEPRECIATION EXPENSE -
GOVERNMENTAL ACTIVITIES

\$ 4,347,128

5. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors; and omissions. The Village participates in the McHenry County Municipal Risk Management Association (MCMRMA).

The Village pays annual premiums to MCMRMA for its workers' compensation, general liability, public official's liability claims, and property coverage. The cooperative agreement provides that MCMRMA will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$150,000 per occurrence for workers' compensation and \$100,000 per occurrence for general liability and property. One representative from each member serves on the MCMRMA board, and each board member has one vote on the board. None of its members have any direct equity interest in MCMRMA.

The Village participates in the Intergovernmental Personnel Benefit Cooperative.

Intergovernmental Personnel Benefit Cooperative (IPBC) is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain governmental, quasi governmental, and nonprofit public service entities. IPBC receives, processes, and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative, along with an alternate, from each member. In addition, there are two officers; a chairperson and a Treasurer. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

Complete financial statement, the latest available dated June 30, 2017, may be obtained directly from IPBC's administrative offices at 800 Roosevelt Road, Building C, Suite 312, Glen Ellyn, Illinois 60137.

5. RISK MANAGEMENT (Continued)

The Village has not had significant reductions in insurance coverage during the year nor did settlements exceed insurance coverage in any of the last three years.

6. JOINT VENTURE

The Village is a founding member of Southeast Emergency Communication. (SEECOM). SEECOM is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SEECOM is a cooperative joint venture organized for the purpose of providing the equipment, services, and other items necessary and appropriate for the establishment, operation, and maintenance of a joint public safety communications system for the mutual benefit of the members of SEECOM. The founding members of SEECOM consist of the Village of Algonquin, Illinois, the City of Crystal Lake, Illinois, and the Village of Cary, Illinois.

SEECOM is governed by an executive board established with three voting members consisting of the Village Manager/Village Administrator/City Manager, or their respective staff designees, from the three founding communities. Each member of the Executive Board is entitled to one vote. Two nonvoting members also consist of one member from the Fire Services Advisory Board and one member from the Law Enforcement Advisory Board. These nonvoting members represent other member communities.

Each of SEECOM's three members paid an initial entry fee as determined and agreed to by SEECOM's Executive Board and the three members. Each member also pays a portion of the initial capital cost financed by the issuance of a bond. Each member's portion of the initial capital costs are based on the actual capital cost multiplied by the member's proportionate share of the number of calls for service from the preceding year. Each member pays a percentage of the operating costs of SEECOM as determined by the total operational costs less contracted services by each member's proportional share of the calls for service handled by SEECOM. Calls for service are one year in arrears.

All property, real and personal, acquired by SEECOM are owned in common by the members under the intergovernmental agreement. Each of the three members under the intergovernmental agreement are liable for the debts and liabilities of SEECOM. The intergovernmental agreement establishing SEECOM is in effect for a period of 15 years from the effective date of June 2003. Thereafter, it is automatically renewed with no affirmative action by the three members for successive five-year periods commencing May 1 until notice of termination is given. Any terminating member shall remain liable for their share of the capital expenditures incurred prior to the effective date of their termination. Upon termination by any member, SEECOM shall reimburse the terminated member for its share of the undepreciated value of SEECOM's capital assets.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. JOINT VENTURE (Continued)

SEECOM financial statements can be obtained at SEECOM’s office located at 100 West Woodstock Street, Crystal Lake, IL 60014.

The Village reports its activities in SEECOM as a governmental joint venture. In accordance with the joint venture agreement, the Village remitted \$632,220 to SEECOM during fiscal year 2018. In addition, the Village’s equity interest in the joint venture’s net position of \$876,924 is recorded within the governmental activities column of the statement of net position.

7. LONG-TERM DEBT

a. General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the Village and are payable from both governmental activities/funds and business-type activities. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$2,885,000 General Obligation Refunding Bond Series 2014A, due in annual installments of \$10,000 to \$615,000, plus interest of 2.00% to 2.50% payable each April 1 and October 1 through April 1, 2020.	Debt Service	\$ 1,780,000	\$ -	\$ 565,000	\$ 1,215,000	\$ 600,000
\$7,645,000 General Obligation Refunding Bond Series 2013, due in annual installments of \$570,000 to \$830,000, plus interest of 3.00% to 3.25% payable each April 1 and October 1 through April 1, 2025.	Waterworks and Sewerage	5,875,000	-	630,000	5,245,000	665,000
TOTAL GENERAL OBLIGATION BONDS		\$ 7,655,000	\$ -	\$ 1,195,000	\$ 6,460,000	\$ 1,265,000

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

b. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities General Obligation Bonds		Business-Type Activities General Obligation Bonds	
	Principal	Interest	Principal	Interest
2019	\$ 600,000	\$ 30,375	\$ 665,000	\$ 159,425
2020	615,000	15,375	695,000	139,475
2021	-	-	715,000	118,625
2022	-	-	755,000	97,175
2023	-	-	770,000	74,525
2024	-	-	815,000	51,425
2025	-	-	830,000	26,975
TOTAL	\$ 1,215,000	\$ 45,750	\$ 5,245,000	\$ 667,625

c. Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in long-term liabilities for governmental activities:

	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
General obligation bonds payable	\$ 1,780,000	\$ -	\$ 565,000	\$ 1,215,000	\$ 600,000
Unamortized premium	56,469	-	19,361	37,108	-
Capital lease	29,117	-	23,138	5,979	5,979
Compensated absences*	1,062,922	1,454,150	1,456,904	1,060,168	683,450
Net pension liability (IMRF)*	3,194,352	-	2,149,588	1,044,764	-
Net pension liability (Police Pension)*	16,103,033	-	469,659	15,633,374	-
Net OPEB obligation*	423,228	45,145	-	468,373	-
TOTAL	\$ 22,649,121	\$ 1,499,295	\$ 4,683,650	\$ 19,464,766	\$ 1,289,429

*These liabilities are generally retired by the General Fund.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

c. Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in long-term liabilities for business-type activities (retired by the Waterworks and Sewerage Fund):

	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
General obligation bonds payable	\$ 5,875,000	\$ -	\$ 630,000	\$ 5,245,000	\$ 665,000
Unamortized premium	223,569	-	25,073	198,496	-
Compensated absences payable	228,706	279,658	288,101	220,263	136,873
Net pension liability (IMRF)	1,252,467	-	798,835	453,632	-
TOTAL	\$ 7,579,742	\$ 279,658	\$ 1,742,009	\$ 6,117,391	\$ 801,873

d. Capital Lease

The Village entered into a lease agreement as lessee to finance the purchase of technology equipment. The lease is due in installments through its maturity on July 14, 2018 at an annual rate of 5.277%. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date.

The future minimum lease obligations and net present value of the minimum lease payments as of April 30, 2018 are as follows:

Fiscal Year	Future Obligations
2019	\$ 6,032
Subtotal	6,032
Less interest	(53)
PRESENT VALUE OF MINIMUM LEASE PAYMENTS	\$ 5,979

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INDIVIDUAL FUND DISCLOSURES

Individual fund amounts due to other funds were as follows:

Fund	Due from	Due to
General	\$ 43,519	\$ -
Internal Service Funds	-	43,519
TOTAL	\$ 43,519	\$ 43,519

The purposes of significant interfund balances are as follows:

- The balances between the General Fund and the Internal Service Funds were for short-term interfund loans.

Individual fund advances were as follows:

Fund	Advances from	Advances to
General	\$ 654,967	\$ -
Street Improvement Fund	3,360,150	-
Downtown TIF District Fund	-	4,886,669
Water and Sewer	871,552	-
TOTAL	\$ 4,886,669	\$ 4,886,669

The purposes of significant advances are as follows:

- The advance from the General Fund, Street Improvement Fund, and Water/Sewer Improvement Fund to the Downtown TIF District Fund were made for TIF advances for expenses of the TIF District.

Individual fund transfers were as follows:

Fund	Transfers In	Transfers Out
General	\$ -	\$ 625,000
Debt Service	625,000	-
TOTAL	\$ 625,000	\$ 625,000

The purposes of significant transfers are as follows:

- The General Fund transferred monies to the Debt Service Fund for upcoming debt service payments made out of that fund.

9. CONTINGENT LIABILITIES

a. Litigation

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

b. Grants

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

10. DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system, and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all the plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police Pension Plan does not issue a separate report on the pension plan. IMRF, however, issues 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 their website at www.imrf.org.

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2017, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	47
Inactive employees entitled to but not yet receiving benefits	58
Active employees	<u>90</u>
 TOTAL	 <u><u>195</u></u>

Benefits Provided

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

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the fiscal year ended April 30, 2018 was 11.46% of covered payroll.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2017
Actuarial cost method	Entry-age Normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.50%
Asset valuation method	Market value

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

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2017	\$ 27,537,845	\$ 23,091,026	\$ 4,446,819
Changes for the period			
Service cost	716,835	-	716,835
Interest	2,069,862	-	2,069,862
Difference between expected and actual experience	(158,856)	-	(158,856)
Changes in assumptions	(972,243)	-	(972,243)
Employer contributions	-	755,526	(755,526)
Employee contributions	-	301,686	(301,686)
Net investment income	-	3,758,504	(3,758,504)
Benefit payments and refunds	(596,206)	(596,206)	-
Administrative expense	-	(211,695)	211,695
Net changes	1,059,392	4,007,815	(2,948,423)
BALANCES AT DECEMBER 31, 2017	\$ 28,597,237	\$ 27,098,841	\$ 1,498,396

Changes in assumptions related to the price inflation, salary increases, retirement age, and mortality rates were made since the prior measurement date.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2017, the Village recognized pension expense of \$573,632.

At April 30, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 603,432
Changes in assumption	22,694	873,984
Contributions made between January 1, 2018 and April 30, 2018	242,257	-
Net difference between projected and actual earnings on pension plan investments	-	956,178
TOTAL	\$ 264,951	\$ 2,433,594

\$242,257 reported as deferred outflows of resources related to village contributions subsequent to the measurement date and will be recognized as a reduction of net pension liability in the reporting year ending April 30, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending April 30,	
2019	\$ (381,900)
2020	(381,901)
2021	(675,356)
2022	(696,215)
2023	(231,359)
Thereafter	(44,169)
TOTAL	\$ (2,410,900)

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Village calculated using the discount rate of 7.50% as well as what the Village's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 5,949,341	\$ 1,498,396	\$ (2,007,326)

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a Pension Trust Fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village's Mayor, one member is elected by pension beneficiaries, and two members are elected by active police employees.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Membership

At April 30, 2018, the measurement date, the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	17
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	<u>44</u>
 TOTAL	 <u><u>63</u></u>

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% 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 eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$117,213, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the Village has elected to fund 100% of the past service cost. For the year ended April 30, 2018, the Village's contribution was 46.40% of covered payroll.

Investment Policy

In accordance with the Police Pension Fund's (the Fund) investment policy, the Fund may invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois, direct obligations of the State of Illinois, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, and The Illinois Funds.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

It is the policy of the Fund to invest its funds in a manner which will provide a competitive investment return with the maximum security while meeting the daily cash flow demands of the Fund and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are: safety of principal, return on investment, legality, and meeting all funding requirements. The investment policy was not modified during the year ended April 30, 2018.

The Fund’s investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return*
Fixed income	35%	1.00% to 2.70%
Equities and alternatives	65%	3.40% to 9.90%

*Net of inflation assumption of 2.30%.

ILCS limits the Fund’s investments in equities to 65%. Securities in any one company should not exceed 5% of the total fund.

Investment Valuations

All investments except for non-negotiable certificates of deposit and money market mutual funds in the plan are stated at fair value and are recorded as of the trade date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Rate of Return

For the year ended April 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.67%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it.

At April 30, 2018, all of the Fund's bank balances were collateralized in accordance with their investment policy.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

The following table presents the investments and maturities of the Fund's debt securities and money market mutual funds as of April 30, 2018:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 2,693,415	\$ 159,306	\$ 993,410	\$ 664,194	\$ 876,505
U.S. agency obligations	1,830,822	40,528	242,584	499,563	1,048,147
Bond mutual fund	304,336	-	-	304,336	-
Corporate bonds	4,809,956	214,516	3,035,203	1,196,473	363,764
Municipal bonds	143,854	65,108	43,983	34,763	-
TOTAL	\$ 9,782,383	\$ 479,458	\$ 4,315,180	\$ 2,699,329	\$ 2,288,416

The Fund has the following recurring fair value measurements as of April 30, 2018.

The U.S. Treasury obligations, equity and bond mutual funds, and equity securities are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. agency obligations, municipal bonds, and corporate bonds are valued using quoted matrix pricing models (Level 2 inputs).

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury and U.S. agency obligations and other obligations which are rated in the top three classes by a national rating agency. The U.S. agency obligations are rated AAA by Moody's and AA+ by Standard and Poor's. The corporate bonds range in rating from AAA to BBB- and AAA-BAA3 by Standard and Poor's and Moody's, respectively. The municipal bonds range in rating from AAA-AA2 by Standard and Poor's. The Illinois Funds and IMET are rated AAA.

Concentration of Credit Risk

Concentration of credit risk is the risk that the Fund has a high percentage of their investments invested in one type of investment. The Fund's investment policy requires diversification of investments to avoid unreasonable risk. There are no significant investments (other than United States Government guaranteed obligations and mutual funds) in any one organization that represent 5% or more of the Fund's investments.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis. Securities are required to be held by a third party custodian or qualified broker/dealer as defined by 40 ILCS 5/81-113.7 (A). The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The Fund's funding policy is to have the Fund reach a funded ratio of 100% by April 30, 2033. Therefore, the Police Pension Plan's projected fiduciary net position can be expected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Police Pension Plan's investments was applied to all periods of projected benefits payments to determine the total pension liability.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2017	\$ 41,750,218	\$ 25,647,185	\$ 16,103,033
Changes for the period			
Service cost	987,120	-	987,120
Interest	2,778,626	-	2,778,626
Difference between expected and actual experience	(257,967)	-	(257,967)
Changes in assumptions	-	-	-
Employer contributions	-	1,900,000	(1,900,000)
Employee contributions	-	397,672	(397,672)
Other contributions	-	11,471	(11,471)
Net investment income	-	1,712,063	(1,712,063)
Benefit payments and refunds	(1,170,771)	(1,170,771)	-
Administrative expense	-	(43,767)	43,767
Net changes	2,337,008	2,806,668	(469,660)
BALANCES AT APRIL 30, 2018	\$ 44,087,226	\$ 28,453,853	\$ 15,633,373

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2018 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2018
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	4.00% to 21.51%
Interest rate	6.75%
Postretirement benefit increases	3.00%
Asset valuation method	Market

Mortality rates were based on the L&A 2016 Illinois Police Mortality Rates.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 6.75% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 20,728,450	\$ 15,633,373	\$ 7,151,208

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2018, the Village recognized police pension expense of \$1,559,403. At April 30, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 689,617
Changes in assumption	-	1,516,049
Net difference between projected and actual earnings on pension plan investments	<u>332,522</u>	<u>-</u>
TOTAL	<u>\$ 332,522</u>	<u>\$ 2,205,666</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2019	\$ (72,839)
2020	(72,840)
2021	(383,122)
2022	(272,157)
2023	(283,370)
Thereafter	<u>(788,816)</u>
TOTAL	<u>\$ (1,873,144)</u>

11. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care (OPEB) benefits for retirees and disabled employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions, and any employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's General Fund.

b. Benefits Provided

With the exception of funding HMO medical health care for police officers who retired due to a duty related disability, retired village employees are required to fully fund the premium for the health care policy. The Plan provides medical and dental insurance benefits to eligible retirees and their dependents. The benefits, benefit levels, and employer contributions are governed by the Village Board of Trustees and can only be amended by the Village Board of Trustees. The Plan is not accounted for as a trust fund and an irrevocable trust has not been established.

All health care benefits are provided through the Village's insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Eligibility in village-sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits.

c. Membership

At April 30, 2016 (census date), membership consisted of:

Actives fully eligible to retire	16
Actives not yet fully eligible to retire	118
Retirees	11
TOTAL	145
Participating employers	1

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Funding Policy

All retirees contribute 100% of the premium to the Plan to cover the cost of providing the benefits to the retirees via the health insurance plan (pay as you go), which results in an implicit subsidy to the Village as defined by GASB Statement No. 45. The Village pays 100% of the premium for certain disabled employees. The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the Plan until retirement.

e. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation was as follows:

Year Ended April 30,	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2018	\$ 121,732	\$ 76,587	62.91%	\$ 468,373
2017	122,548	63,271	51.63%	423,228
2016	64,902	41,892	64.55%	363,951

The net OPEB obligation (NOPEBO) as of April 30, 2018 was calculated as follows:

Annual required contribution	\$ 127,551
Interest on net OPEB obligation	19,045
Adjustment to annual required contribution	<u>(24,864)</u>
Annual OPEB cost	121,732
Contributions made	<u>76,587</u>
Increase in net OPEB obligation	45,145
Net OPEB obligation, beginning of year	<u>423,228</u>
NET OPEB OBLIGATION, END OF YEAR	<u><u>\$ 468,373</u></u>

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Funded Status and Funding Progress

The funded status of the Plan as of April 30, 2016 was as follows:

Actuarial accrued liability (AAL)	\$ 1,453,154
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	1,453,154
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 10,518,859
UAAL as a percentage of covered payroll	13.81%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the 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 financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

g. Actuarial Methods and Assumptions

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

In the April 30, 2016 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a 4.50% investment rate of return (net of administrative expenses) and an initial and ultimate annual healthcare cost trend rate of 6.00% to 7.50% and 5.00%, respectively. These rates include a 3% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis over 30 years.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 6,165,000	\$ 6,165,000	\$ 6,137,393
Intergovernmental, grants, and contributions	11,298,000	11,299,963	11,659,861
Charges for services	368,300	368,300	324,004
Licenses and permits	531,000	531,000	774,553
Fines and forfeits	363,000	363,000	414,078
Investment income	103,600	103,600	165,398
Miscellaneous	583,600	583,600	667,255
Total revenues	19,412,500	19,414,463	20,142,542
EXPENDITURES			
Current			
General government	4,682,790	4,687,940	4,061,782
Public safety	9,643,500	9,674,344	9,391,707
Public works	4,622,100	4,725,427	4,419,736
Debt service			
Capital lease principal	23,200	23,200	23,138
Interest and fiscal charges	2,110	2,110	1,647
Capital outlay	180,000	177,400	177,347
Total expenditures	19,153,700	19,290,421	18,075,357
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	258,800	124,042	2,067,185
OTHER FINANCING SOURCES (USES)			
Transfers in	180,000	180,000	115,617
Transfers (out)	(805,000)	(805,000)	(740,617)
Total other financing sources (uses)	(625,000)	(625,000)	(625,000)
NET CHANGE IN FUND BALANCE	\$ (366,200)	\$ (500,958)	1,442,185
FUND BALANCE, MAY 1			16,998,960
FUND BALANCE, APRIL 30			\$ 18,441,145

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DOWNTOWN TIF DISTRICT FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 160,000	\$ 160,000	\$ 381,505
Investment income	25	25	182
Total revenues	160,025	160,025	381,687
EXPENDITURES			
General government			
Legal services	-	-	577
Engineering services	60,000	60,000	888,940
Capital outlay	100,000	100,000	2,162,252
Total expenditures	160,000	160,000	3,051,769
NET CHANGE IN FUND BALANCE	\$ 25	\$ 25	(2,670,082)
FUND BALANCE (DEFICIT), MAY 1			(1,672,058)
FUND BALANCE (DEFICIT), APRIL 30			\$ (4,342,140)

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Last Six Fiscal Years

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4)/(5)
2013	\$ -	\$ 1,007,466	0.00%	\$ 1,007,466	\$ 10,816,821	9.31%
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A
2016	-	1,453,154	0.00%	1,453,154	10,518,859	13.81%
2017	N/A	N/A	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A	N/A	N/A

N/A - Actuarial valuation not performed

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Three Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018
Actuarially determined contribution	\$ 753,644	\$ 745,068	\$ 750,471
Contributions in relation to the actuarially determined contribution	<u>(753,644)</u>	<u>(745,068)</u>	<u>(750,471)</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 6,631,156	\$ 6,465,839	\$ 6,547,827
Contributions as a percentage of covered-employee payroll	11.37%	11.52%	11.46%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31, 2017. Additional information as of the latest valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization period was 26 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually, wage growth of 3.50%, and inflation of 2.75%.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Actuarially determined contribution	\$ 676,838	\$ 768,620	\$ 916,506	\$ 933,392	\$ 987,225	\$ 1,010,427	\$ 1,178,898	\$ 1,239,425	\$ 1,836,961	\$ 1,899,008
Contributions in relation to the actuarially determined contribution	677,063	767,532	916,349	937,750	978,923	1,025,000	1,179,000	1,240,000	1,837,000	1,900,000
CONTRIBUTION DEFICIENCY (Excess)	\$ (225)	\$ 1,088	\$ 157	\$ (4,358)	\$ 8,302	\$ (14,573)	\$ (102)	\$ (575)	\$ (39)	\$ (992)
Covered-employee payroll	\$ 3,799,289	\$ 3,865,273	\$ 4,008,376	\$ 4,145,760	\$ 4,221,895	\$ 4,193,768	\$ 4,151,265	\$ 4,077,186	\$ 4,250,692	\$ 4,095,714
Contributions as a percentage of covered-employee payroll	17.82%	19.86%	22.86%	22.62%	23.19%	24.44%	28.40%	30.41%	43.22%	46.39%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 24 years; the asset valuation was at five-year smoothed market value; and the significant actuarial assumptions were an investment rate of return at 7.00% annually, projected salary increases assumption of 5.50%, and postretirement benefit increases of 3.00% compounded annually.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Last Six Fiscal Years

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percentage</u>
2013	\$ 13,989	\$ 56,407	24.80%
2014	14,763	103,966	14.20%
2015	15,548	103,966	14.95%
2016	41,892	103,966	40.29%
2017	63,271	127,551	49.60%
2018	76,587	127,551	60.04%

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Three Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017
TOTAL PENSION LIABILITY			
Service cost	\$ 756,829	\$ 727,336	\$ 716,835
Interest	1,819,378	1,956,191	2,069,862
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(161,237)	(547,368)	(158,856)
Changes of assumptions	40,403	(82,880)	(972,243)
Benefit payments, including refunds of member contributions	(550,096)	(608,099)	(596,206)
Net change in total pension liability	1,905,277	1,445,180	1,059,392
Total pension liability - beginning	24,187,388	26,092,665	27,537,845
TOTAL PENSION LIABILITY - ENDING	\$ 26,092,665	\$ 27,537,845	\$ 28,597,237
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 773,192	\$ 745,680	\$ 755,526
Contributions - member	304,371	295,560	301,686
Net investment income	106,029	1,484,262	3,758,504
Benefit payments, including refunds of member contributions	(550,096)	(608,099)	(596,206)
Administrative expense	(456,684)	54,700	(211,695)
Net change in plan fiduciary net position	176,812	1,972,103	4,007,815
Plan fiduciary net position - beginning	20,942,111	21,118,923	23,091,026
PLAN FIDUCIARY NET POSITION - ENDING	\$ 21,118,923	\$ 23,091,026	\$ 27,098,841
EMPLOYER'S NET PENSION LIABILITY	\$ 4,973,742	\$ 4,446,819	\$ 1,498,396
Plan fiduciary net position as a percentage of the total pension liability	80.94%	83.85%	94.76%
Covered-employee payroll	\$ 6,631,156	\$ 6,484,170	\$ 6,530,052
Employer's net pension liability as a percentage of covered-employee payroll	75.01%	68.58%	22.95%

Notes to Required Supplementary Information

There was a change with respect to actuarial assumptions from 2014 to 2015 to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates. There was a change in the discount rate assumption from 2015 to 2016. There was a change in assumptions related to price inflation, salary increases, retirement age, and mortality rates from 2016 to 2017.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

Last Four Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018
TOTAL PENSION LIABILITY				
Service cost	\$ 806,170	\$ 861,719	\$ 1,038,677	\$ 987,120
Interest	2,306,932	2,602,515	2,704,064	2,778,626
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	481,935	(277,976)	(328,182)	(257,967)
Changes of assumptions	2,726,115	(744,218)	(1,238,868)	-
Benefit payments, including refunds of member contributions	(539,305)	(903,832)	(971,371)	(1,170,771)
Net change in total pension liability	5,781,847	1,538,208	1,204,320	2,337,008
Total pension liability - beginning	33,225,843	39,007,690	40,545,898	41,750,218
TOTAL PENSION LIABILITY - ENDING	\$ 39,007,690	\$ 40,545,898	\$ 41,750,218	\$ 44,087,226
PLAN FIDUCIARY NET POSITION				
Contributions - employer	\$ 1,179,000	\$ 1,240,000	\$ 1,837,000	\$ 1,900,000
Contributions - member	415,618	450,578	423,716	409,143
Net investment income	1,125,257	(67,703)	2,101,867	1,712,063
Benefit payments, including refunds of member contributions	(539,305)	(903,832)	(971,371)	(1,170,771)
Administrative expense	(27,755)	(28,723)	(40,032)	(43,767)
Net change in plan fiduciary net position	2,152,815	690,320	3,351,180	2,806,668
Plan fiduciary net position - beginning	19,452,870	21,605,685	22,296,005	25,647,185
PLAN FIDUCIARY NET POSITION - ENDING	\$ 21,605,685	\$ 22,296,005	\$ 25,647,185	\$ 28,453,853
EMPLOYER'S NET PENSION LIABILITY	\$ 17,402,005	\$ 18,249,893	\$ 16,103,033	\$ 15,633,373
Plan fiduciary net position as a percentage of the total pension liability	55.39%	54.99%	61.43%	64.54%
Covered-employee payroll	\$ 4,151,265	\$ 4,077,186	\$ 4,250,692	\$ 4,095,714
Employer's net pension liability as a percentage of covered-employee payroll	419.20%	447.60%	378.80%	381.70%

Notes to Required Supplementary Information

2014-2015: There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates.

2015-2016: The discount rate used in the determination of the total pension liability was changed from 7.00% to 6.75%. Additionally, there was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, mortality improvement rates, retirement rates, disability rates, and termination rates.

2016-2017: There was a change with respect to actuarial assumptions from the prior year to include updated mortality assumptions from the MP-2016 table. Additionally, rates are being applied on a fully generational basis. These changes were made to better reflect the future anticipated experience in the fund.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Four Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018
Annual money-weighted rate of return, net of investment expense	5.77%	(0.31%)	9.37%	6.67%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2018

1. BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted (at the fund level) for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, and Police Pension Trust Funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

All departments of the Village submit requests for appropriation so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. The budget may be amended by the governing body.

All funds adopt an annual budget and budgets are prepared on a basis consistent with GAAP except for the Waterworks and Sewerage Fund in that depreciation, amortization, gains/losses on the sales of capital assets, and pension expense adjustments are not budgeted and capital outlay and debt principal retirements (other than defeasements) are budgeted.

2. EXPENDITURES OVER BUDGET OF INDIVIDUAL FUNDS

The following funds had expenditures that exceeded budget:

Fund	Final Budget	Expenditures
Downtown TIF District Fund	\$ 160,000	\$ 3,051,769
Special Cemetery Fund	36,800	40,842
Police Pension Fund	1,307,000	1,307,720

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

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING BALANCE SHEET
GENERAL FUND - BY ACCOUNT

April 30, 2018

	Operating	Public Swimming Pool	Special Revenue	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and cash equivalents	\$ 6,634,419	\$ 10,827	\$ 583,248	\$ 7,228,494
Investments	8,298,435	-	362,905	8,661,340
Receivables				
Property tax	5,600,003	-	-	5,600,003
Other taxes	1,992,834	-	4,231	1,997,065
Intergovernmental, grants, and contributions	3,248	-	-	3,248
IPBC	99,713	-	-	99,713
Accrued interest	18,134	-	-	18,134
Other	255,636	-	-	255,636
Due from other funds	43,519	-	-	43,519
Advance to other funds	654,967	-	-	654,967
Prepaid items	81,901	1,113	-	83,014
Total Assets	23,682,809	11,940	950,384	24,645,133
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 23,682,809	\$ 11,940	\$ 950,384	\$ 24,645,133
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 336,416	\$ 4,825	\$ 37,482	\$ 378,723
Unearned revenue	117,623	7,941	53,820	179,384
Other liabilities	45,878	-	-	45,878
Total liabilities	499,917	12,766	91,302	603,985
DEFERRED INFLOWS OF RESOURCES				
Unavailable property tax revenue	5,600,003	-	-	5,600,003
Total liabilities and deferred inflows of resources	6,099,920	12,766	91,302	6,203,988
FUND BALANCES				
Nonspendable				
Prepays	81,901	1,113	-	83,014
Advances	654,967	-	-	654,967
Restricted				
Insurance	451,818	-	-	451,818
Donor programs	288,305	-	521,834	810,139
Assigned				
Capital projects	266,343	-	-	266,343
Historic commission	9,825	-	-	9,825
Unassigned (deficit)	15,829,730	(1,939)	337,248	16,165,039
Total fund balances (deficit)	17,582,889	(826)	859,082	18,441,145
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 23,682,809	\$ 11,940	\$ 950,384	\$ 24,645,133

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND - BY ACCOUNT

For the Year Ended April 30, 2018

	Operating	Public Swimming Pool	Special Revenue	Eliminations	Total
REVENUES					
Taxes	\$ 6,091,715	\$ -	\$ 45,678	\$ -	\$ 6,137,393
Intergovernmental, grants, and contributions	11,659,861	-	-	-	11,659,861
Charges for services	238,937	85,067	-	-	324,004
Licenses and permits	774,553	-	-	-	774,553
Fines and forfeits	414,078	-	-	-	414,078
Investment income	156,947	67	8,384	-	165,398
Miscellaneous	640,975	26,280	-	-	667,255
Total revenues	19,977,066	111,414	54,062	-	20,142,542
EXPENDITURES					
Current					
General government	3,857,960	191,474	12,348	-	4,061,782
Public safety	9,391,707	-	-	-	9,391,707
Public works	4,376,167	-	43,569	-	4,419,736
Debt service					
Principal	23,138	-	-	-	23,138
Interest and fiscal charges	1,647	-	-	-	1,647
Capital outlay	177,347	-	-	-	177,347
Total expenditures	17,827,966	191,474	55,917	-	18,075,357
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,149,100	(80,060)	(1,855)	-	2,067,185
OTHER FINANCING SOURCES (USES)					
Transfers in	35,000	80,617	-	(115,617)	-
Transfers (out)	(705,617)	-	(35,000)	115,617	(625,000)
Total other financing sources (uses)	(670,617)	80,617	(35,000)	-	(625,000)
NET CHANGE IN FUND BALANCES	1,478,483	557	(36,855)	-	1,442,185
FUND BALANCES (DEFICIT), MAY 1	16,104,406	(1,383)	895,937	-	16,998,960
FUND BALANCES (DEFICIT), APRIL 30	\$ 17,582,889	\$ (826)	\$ 859,082	\$ -	\$ 18,441,145

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND - OPERATING ACCOUNT

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
TAXES			
Property taxes			
Road and bridge	\$ 390,000	\$ 390,000	\$ 393,765
Social Security	550,000	550,000	549,005
Insurance	300,000	300,000	299,457
IMRF	400,000	400,000	399,276
School crossing	15,000	15,000	14,975
Police protection	2,430,000	2,430,000	2,425,615
ESDA	5,000	5,000	4,994
Police pension	1,900,000	1,900,000	1,896,570
Telecommunications tax	125,000	125,000	108,058
Total taxes	<u>6,115,000</u>	<u>6,115,000</u>	<u>6,091,715</u>
LICENSES AND PERMITS			
Liquor licenses	116,000	116,000	112,624
Building permits	360,000	360,000	594,155
Miscellaneous licenses	55,000	55,000	67,774
Total licenses and permits	<u>531,000</u>	<u>531,000</u>	<u>774,553</u>
INTERGOVERNMENTAL, GRANTS, AND CONTRIBUTIONS			
Income tax	3,300,000	3,300,000	3,519,185
Sales tax	7,700,000	7,700,000	7,733,394
Personal property replacement tax	60,000	60,000	57,582
Intergovernmental agreements	120,000	120,000	187,097
Grants - operating, public safety, general	-	-	18,970
Contributions	118,000	119,963	143,633
Total intergovernmental, grants, and contributions	<u>11,298,000</u>	<u>11,299,963</u>	<u>11,659,861</u>
CHARGES FOR SERVICES			
Building and zoning	8,000	8,000	38,753
Park usage fees	12,000	12,000	7,109
Recreation programs	190,000	190,000	91,144
Site development fee	1,000	1,000	4,026
Public art impact fee	1,000	1,000	2,321

(This schedule is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND - OPERATING ACCOUNT

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
CHARGES FOR SERVICES (Continued)			
Rental income	\$ 38,000	\$ 38,000	\$ 67,396
Outsourced service fees	25,000	25,000	26,388
Historical commission	400	400	1,700
Subdivision signs	400	400	100
	<hr/>		
Total charges for services	275,800	275,800	238,937
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FINES AND FORFEITS			
County court and drug fines	183,500	183,500	183,741
County prosecution fines	17,000	17,000	14,296
Police fines	10,000	10,000	9,573
Restitution - court cases	5,500	5,500	26,787
Police accident reports	4,000	4,000	5,689
Reports, maps, and ordinance	500	500	633
Building permit fines	20,000	20,000	23,695
Towing and storage	35,000	35,000	34,034
Traffic light enforcement	-	-	13,902
Municipal fines	85,000	85,000	95,448
Maintenance fee	2,500	2,500	6,140
Administrative fees	-	-	140
	<hr/>		
Total fines and forfeits	363,000	363,000	414,078
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INVESTMENT INCOME	100,600	100,600	156,947
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MISCELLANEOUS			
Cable TV franchise fees	530,000	530,000	531,436
Other receipts	30,600	30,600	109,539
	<hr/>		
Total miscellaneous	560,600	560,600	640,975
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TOTAL REVENUES	\$ 19,244,000	\$ 19,245,963	\$ 19,977,066
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(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND - OPERATING ACCOUNT**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
CURRENT			
General government			
Administration			
Personnel	\$ 1,406,000	\$ 1,406,000	\$ 1,372,239
Commodities	277,700	289,950	238,325
Contractual services	908,300	933,300	799,202
Other charges	320,500	284,400	133,180
Total administration	2,912,500	2,913,650	2,542,946
Community development			
Personnel	1,211,500	1,211,500	1,103,439
Commodities	21,000	25,000	20,274
Contractual services	205,300	212,515	175,452
Other charges	60,290	53,075	15,849
Total community development	1,498,090	1,502,090	1,315,014
Total general government	4,410,590	4,415,740	3,857,960
Public safety			
Police department			
Personnel	6,196,000	6,196,000	5,957,331
Commodities	275,300	306,144	285,593
Contractual services	1,170,300	1,170,300	1,162,732
Other charges	2,001,900	2,001,900	1,986,051
Total public safety	9,643,500	9,674,344	9,391,707
Public works			
Public works administration			
Personnel	277,700	277,700	272,186
Commodities	17,700	17,700	15,831
Contractual services	71,100	70,100	74,562
Other charges	8,600	11,763	14,523
Total public works administration	375,100	377,263	377,102

(This schedule is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND - OPERATING ACCOUNT

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
CURRENT (Continued)			
Public works (Continued)			
Streets department			
Personnel	\$ 2,263,200	\$ 2,263,200	\$ 2,148,651
Commodities	315,500	331,976	267,860
Contractual services	1,587,700	1,652,388	1,550,072
Other charges	40,600	40,600	32,482
	4,207,000	4,288,164	3,999,065
Total streets department			
	4,582,100	4,665,427	4,376,167
Total public works			
Debt service			
Principal	23,200	23,200	23,138
Interest and fiscal charges	2,110	2,110	1,647
	25,310	25,310	24,785
Total debt service			
Capital outlay			
Public works	180,000	177,400	177,347
	180,000	177,400	177,347
Total capital outlay			
TOTAL EXPENDITURES	\$ 18,841,500	\$ 18,958,221	\$ 17,827,966

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND - PUBLIC SWIMMING POOL ACCOUNT**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Charges for services			
Swimming pool fees	\$ 36,000	\$ 36,000	\$ 31,866
Swimming daily fees	26,000	26,000	25,885
Swimming lessons	22,000	22,000	18,073
Concessions	8,500	8,500	9,243
Investment income	-	-	67
Miscellaneous	23,000	23,000	26,280
	<hr/>	<hr/>	<hr/>
Total revenues	115,500	115,500	111,414
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
General government			
Personnel	92,250	92,250	77,430
Commodities	17,500	19,500	16,828
Contractual services	146,300	144,300	94,239
Other	3,150	3,150	2,977
	<hr/>	<hr/>	<hr/>
Total expenditures	259,200	259,200	191,474
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(143,700)	(143,700)	(80,060)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	145,000	145,000	80,617
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	145,000	145,000	80,617
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	\$ 1,300	\$ 1,300	557
	<hr/>	<hr/>	<hr/>
FUND BALANCE (DEFICIT), MAY 1			(1,383)
			<hr/>
FUND BALANCE (DEFICIT), APRIL 30			\$ (826)
			<hr/>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND - PUBLIC SWIMMING POOL ACCOUNT

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
CURRENT			
General government			
Personnel			
Salary of pool employees	\$ 85,000	\$ 85,000	\$ 71,364
FICA	6,500	6,500	5,459
SUI	750	750	607
Total personnel	92,250	92,250	77,430
Commodities			
Office supplies	1,250	1,250	951
Concessions	5,300	5,300	5,121
IT equipment and supplies	-	2,000	420
Small tools and equipment	10,950	10,950	10,336
Total commodities	17,500	19,500	16,828
Contractual services			
Telephone	1,950	1,950	1,440
Gas - heat	4,800	4,800	3,589
Electricity	6,850	6,850	5,098
Water	5,000	5,000	4,426
Professional services	1,200	1,200	1,040
Maintenance	99,000	99,000	61,860
Insurance	7,500	7,500	6,576
Maintenance - outsourced building	20,000	18,000	10,210
Total contractual services	146,300	144,300	94,239
Other			
Travel, training, dues	1,450	1,450	1,375
Uniforms and safety items	1,700	1,700	1,602
Total other	3,150	3,150	2,977
TOTAL EXPENDITURES	\$ 259,200	\$ 259,200	\$ 191,474

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND - SPECIAL REVENUE ACCOUNT

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Hotel	\$ 50,000	\$ 50,000	\$ 45,678
Investment income	3,000	3,000	8,384
Total revenues	53,000	53,000	54,062
EXPENDITURES			
General government			
Regional marketing	13,000	13,000	12,348
Public works			
Contractual services - snow removal	40,000	60,000	43,569
Total expenditures	53,000	73,000	55,917
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(20,000)	(1,855)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(35,000)	(35,000)	(35,000)
Total other financing sources (uses)	(35,000)	(35,000)	(35,000)
NET CHANGE IN FUND BALANCE	\$ (35,000)	\$ (55,000)	(36,855)
FUND BALANCE, MAY 1			895,937
FUND BALANCE, APRIL 30			\$ 859,082

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STREET IMPROVEMENT FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Home rule sales tax	\$ 4,220,000	\$ 4,220,000	\$ 4,187,426
Utility taxes	925,000	925,000	919,160
Telecommunication taxes	325,000	325,000	286,036
Intergovernmental	-	-	52,469
Investment income	10,000	10,000	85,687
Total revenues	5,480,000	5,480,000	5,530,778
EXPENDITURES			
Public works			
Contractual services			
Legal services	25,000	25,000	22,495
Engineering services	2,161,000	2,215,000	647,981
Infrastructure maintenance	2,359,000	2,059,000	1,693,521
Capital outlay	-	3,831,000	1,013,925
Total expenditures	4,545,000	8,130,000	3,377,922
NET CHANGE IN FUND BALANCE	\$ 935,000	\$ (2,650,000)	2,152,856
FUND BALANCE, MAY 1			11,341,571
FUND BALANCE, APRIL 30			\$ 13,494,427

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund - to account for maintenance and various street improvements in the Village. Financing is provided by the Village's share of Motor Fuel Tax allotments. State statutes require those allotments to be used to maintain streets.

Parks Fund - to account for the acquisition of new park sites. Financing is provided by developer contributions. In addition, monies have been allocated in this fund for design and development of existing parks throughout the Village.

Cemetery Fund - to account for the operations of the Village owned cemetery. Financing is provided by fees and transfers from the General Fund.

SSA #1 Fund - to account for activities associated with improvements within established Special Service Area #1.

DEBT SERVICE FUND

Debt Service Fund - to account for the accumulation of resources for, and the payment of, general obligation debt principal, interest, and related costs.

CAPITAL PROJECTS FUND

Village Expansion Fund - to account for Village expansion projects. Financing is provided from the issuance of debt and development fees.

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2018

	Special Revenue	Debt Service	Capital Projects	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and cash equivalents	\$ 4,222,498	\$ 1,146	\$ 151,752	\$ 4,375,396
Investments	110,861	647,776	10,630	769,267
Receivables				
Property tax	11,000	-	-	11,000
Other taxes	79,750	-	-	79,750
Intergovernmental, grants, and contributions	68,783	-	-	68,783
Prepaid items	151	-	-	151
Total assets	4,493,043	648,922	162,382	5,304,347
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
	<u>\$ 4,493,043</u>	<u>\$ 648,922</u>	<u>\$ 162,382</u>	<u>\$ 5,304,347</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 127,023	\$ -	\$ -	\$ 127,023
Total liabilities	127,023	-	-	127,023
DEFERRED INFLOWS OF RESOURCES				
Unavailable property tax revenue	11,000	-	-	11,000
Total liabilities and deferred inflows of resources	138,023	-	-	138,023
FUND BALANCES				
Nonspendable				
Prepays	151	-	-	151
Restricted				
Street maintenance	2,602,168	-	-	2,602,168
Capital projects	363,911	-	-	363,911
Cemetery	320,242	-	-	320,242
Assigned				
Capital projects	1,068,548	-	162,382	1,230,930
Debt service	-	648,922	-	648,922
Total fund balances	4,355,020	648,922	162,382	5,166,324
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
	<u>\$ 4,493,043</u>	<u>\$ 648,922</u>	<u>\$ 162,382</u>	<u>\$ 5,304,347</u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2018

	Special Revenue	Debt Service	Capital Projects	Total
REVENUES				
Taxes	\$ 363,887	\$ -	\$ -	\$ 363,887
Intergovernmental, grants, and contributions	1,042,540	-	12,200	1,054,740
Charges for services	27,450	-	-	27,450
Investment income	37,098	12,464	290	49,852
Miscellaneous	22,689	-	-	22,689
Total revenues	1,493,664	12,464	12,490	1,518,618
EXPENDITURES				
Current				
General government	40,842	-	-	40,842
Public works	283,744	-	-	283,744
Capital outlay	89,255	-	-	89,255
Debt service				
Principal	-	565,000	-	565,000
Interest and fiscal charges	-	42,210	-	42,210
Total expenditures	413,841	607,210	-	1,021,051
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,079,823	(594,746)	12,490	497,567
OTHER FINANCING SOURCES (USES)				
Transfers in	-	625,000	-	625,000
Total other financing sources (uses)	-	625,000	-	625,000
NET CHANGE IN FUND BALANCES	1,079,823	30,254	12,490	1,122,567
FUND BALANCES, MAY 1	3,275,197	618,668	149,892	4,043,757
FUND BALANCES, APRIL 30	\$ 4,355,020	\$ 648,922	\$ 162,382	\$ 5,166,324

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

April 30, 2018

	Special Revenue				
	Motor Fuel Tax	Parks	Cemetery	SSA #1	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash and cash equivalents	\$ 2,603,385	\$ 1,210,003	\$ 218,181	\$ 190,929	\$ 4,222,498
Investments	-	-	110,861	-	110,861
Receivables					
Property tax	-	-	-	11,000	11,000
Other taxes	-	79,750	-	-	79,750
Intergovernmental, grants, and contributions	68,783	-	-	-	68,783
Prepaid items	-	-	151	-	151
Total Assets	2,672,168	1,289,753	329,193	201,929	4,493,043
DEFERRED OUTFLOWS OF RESOURCES					
None	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 2,672,168	\$ 1,289,753	\$ 329,193	\$ 201,929	\$ 4,493,043
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 70,000	\$ 48,223	\$ 8,800	\$ -	\$ 127,023
Total liabilities	70,000	48,223	8,800	-	127,023
DEFERRED INFLOWS OF RESOURCES					
Unavailable property tax revenue	-	-	-	11,000	11,000
Total liabilities and deferred inflows of resources	70,000	48,223	8,800	11,000	138,023
FUND BALANCES					
Nonspendable					
Prepays	-	-	151	-	151
Restricted					
Street maintenance	2,602,168	-	-	-	2,602,168
Capital projects	-	172,982	-	190,929	363,911
Cemetery	-	-	320,242	-	320,242
Assigned					
Capital projects	-	1,068,548	-	-	1,068,548
Total fund balances	2,602,168	1,241,530	320,393	190,929	4,355,020
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 2,672,168	\$ 1,289,753	\$ 329,193	\$ 201,929	\$ 4,493,043

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2018

	Special Revenue				Total
	Motor Fuel Tax	Parks	Cemetery	SSA #1	
REVENUES					
Taxes	\$ -	\$ 352,387	\$ -	\$ 11,500	\$ 363,887
Intergovernmental, grants, and contributions	804,452	75,674	-	162,414	1,042,540
Charges for services	-	-	27,450	-	27,450
Investment income	28,112	6,107	2,868	11	37,098
Miscellaneous	-	-	22,689	-	22,689
Total revenues	832,564	434,168	53,007	173,925	1,493,664
EXPENDITURES					
Current					
General government	-	-	40,842	-	40,842
Public works	153,613	130,131	-	-	283,744
Capital outlay	-	89,255	-	-	89,255
Total expenditures	153,613	219,386	40,842	-	413,841
NET CHANGE IN FUND BALANCES	678,951	214,782	12,165	173,925	1,079,823
FUND BALANCES, MAY 1	1,923,217	1,026,748	308,228	17,004	3,275,197
FUND BALANCES, APRIL 30	\$ 2,602,168	\$ 1,241,530	\$ 320,393	\$ 190,929	\$ 4,355,020

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental, grants, and contributions			
Motor fuel tax allotments	\$ 810,000	\$ 810,000	\$ 804,452
Investment income	3,000	3,000	28,112
Total revenues	813,000	813,000	832,564
EXPENDITURES			
Public works			
Materials	482,500	462,500	322,555
Engineering services	-	20,000	1,878
Maintenance	-	225,000	(170,820)
Capital outlay	-	70,000	-
Total expenditures	482,500	777,500	153,613
NET CHANGE IN FUND BALANCE	\$ 330,500	\$ 35,500	678,951
FUND BALANCE, MAY 1			1,923,217
FUND BALANCE, APRIL 30			\$ 2,602,168

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PARKS FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Video gaming	\$ 108,000	\$ 108,000	\$ 110,846
Telecommunications tax	270,000	270,000	241,541
Intergovernmental	-	-	75,674
Investment income	2,000	2,000	6,107
Total revenues	380,000	380,000	434,168
EXPENDITURES			
Public works			
Wetland mitigation	6,000	6,000	5,247
Infrastructure maintenance	35,000	35,000	30,940
Ecosystem maintenance	37,000	48,110	40,550
Engineering services	-	55,000	53,394
Capital outlay	100,000	141,000	89,255
Total expenditures	178,000	285,110	219,386
NET CHANGE IN FUND BALANCE	\$ 202,000	\$ 94,890	214,782
FUND BALANCE, MAY 1			1,026,748
FUND BALANCE, APRIL 30			\$ 1,241,530

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CEMETERY FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Charges for services			
Opening graves and closing crypts	\$ 10,000	\$ 10,000	\$ 16,350
Perpetual care	1,000	1,000	2,500
Sale of lots	4,000	4,000	8,600
Investment income	1,400	1,400	2,868
Miscellaneous	22,600	22,600	22,689
Total revenues	39,000	39,000	53,007
EXPENDITURES			
General government			
Professional services	27,700	27,700	26,958
Grave openings	8,000	8,000	12,800
Insurance	1,100	1,100	1,084
Total expenditures	36,800	36,800	40,842
NET CHANGE IN FUND BALANCE	\$ 2,200	\$ 2,200	12,165
FUND BALANCE, MAY 1			308,228
FUND BALANCE, APRIL 30			\$ 320,393

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SSA#1 FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 70,000	\$ 70,000	\$ 11,500
Contribution revenue	-	-	162,414
Investment income	-	-	11
Total revenues	70,000	70,000	173,925
EXPENDITURES			
None	-	-	-
Total expenditures	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 70,000</u>	<u>\$ 70,000</u>	173,925
FUND BALANCE, MAY 1			<u>17,004</u>
FUND BALANCE, APRIL 30			<u>\$ 190,929</u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ 3,500	\$ 3,500	\$ 12,464
Total revenues	3,500	3,500	12,464
EXPENDITURES			
Current			
Debt service			
Principal	565,000	565,000	565,000
Interest and fiscal charges	44,000	44,000	42,210
Total expenditures	609,000	609,000	607,210
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(605,500)	(605,500)	(594,746)
OTHER FINANCING SOURCES (USES)			
Transfers in	625,000	625,000	625,000
NET CHANGE IN FUND BALANCE	\$ 19,500	\$ 19,500	30,254
FUND BALANCE, MAY 1			618,668
FUND BALANCE, APRIL 30			\$ 648,922

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
VILLAGE EXPANSION FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental, grants, and contributions	\$ 8,000	\$ 8,000	\$ 12,200
Investment income	100	100	290
Total revenues	8,100	8,100	12,490
EXPENDITURES			
None	-	-	-
Total expenditures	-	-	-
NET CHANGE IN FUND BALANCE	\$ 8,100	\$ 8,100	12,490
FUND BALANCE, MAY 1			149,892
FUND BALANCE, APRIL 30			\$ 162,382

(See independent auditor's report.)

MAJOR ENTERPRISE FUND

VILLAGE OF ALGONQUIN, ILLINOIS
COMBINING SCHEDULE OF NET POSITION
WATERWORKS AND SEWERAGE FUND

April 30, 2018

	Operations and Maintenance	Improvements and Extension	Total
CURRENT ASSETS			
Cash and cash equivalents	\$ 4,934,960	\$ 4,050,848	\$ 8,985,808
Investments	208,029	3,910,296	4,118,325
Receivables			
Accounts	1,010,255	2,301	1,012,556
Prepaid expenses	19,702	-	19,702
Restricted assets - investments	824,426	-	824,426
 Total current assets	 6,997,372	 7,963,445	 14,960,817
NONCURRENT ASSETS			
Advances to other funds	-	871,552	871,552
Capital assets			
Nondepreciable	5,062,337	-	5,062,337
Depreciable, net of accumulated depreciation	46,104,309	-	46,104,309
Net capital assets	51,166,646	-	51,166,646
Total noncurrent assets	51,166,646	871,552	52,038,198
Total assets	58,164,018	8,834,997	66,999,015
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	80,213	-	80,213
Deferred loss on refunding	118,418	-	118,418
Total deferred outflows of resources	198,631	-	198,631
Total assets and deferred outflows of resources	58,362,649	8,834,997	67,197,646

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF NET POSITION (Continued)
WATERWORKS AND SEWERAGE FUND

April 30, 2018

	Operations and Maintenance	Improvements and Extension	Total
CURRENT LIABILITIES			
Accounts payable	\$ 262,745	\$ 1,281,539	\$ 1,544,284
Accrued interest	13,285	-	13,285
Compensated absences payable - current	136,873	-	136,873
Bonds payable - current	665,000	-	665,000
Total current liabilities	1,077,903	1,281,539	2,359,442
LONG-TERM LIABILITIES			
Compensated absences payable - long-term	83,390	-	83,390
IMRF net pension liability	453,632	-	453,632
Bonds payable - long-term	4,778,496	-	4,778,496
Total long-term liabilities	5,315,518	-	5,315,518
DEFERRED INFLOWS OF RESOURCES			
Pension items - IMRF	736,759	-	736,759
Total liabilities and deferred inflows of resources	7,130,180	1,281,539	8,411,719
NET POSITION			
Net investment in capital assets	45,841,568	-	45,841,568
Restricted for debt service	824,426	-	824,426
Unrestricted	4,566,475	7,553,458	12,119,933
TOTAL NET POSITION	\$ 51,232,469	\$ 7,553,458	\$ 58,785,927

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2018

	Operations and Maintenance	Improvements and Extension	Total
OPERATING REVENUES			
Charges for services			
Water and sewer revenue	\$ 6,409,267	\$ -	\$ 6,409,267
Meter sales	33,769	-	33,769
Connection fees	-	632,632	632,632
Infrastructure fees	1,318,839	-	1,318,839
Administration fee	86,437	-	86,437
Miscellaneous	86,137	-	86,137
	<hr/>		
Total operating revenues	7,934,449	632,632	8,567,081
OPERATING EXPENSES			
Water operations	2,794,460	-	2,794,460
Sewer operations	2,554,701	-	2,554,701
Non departmental	-	758,274	758,274
Depreciation	3,457,134	-	3,457,134
	<hr/>		
Total operating expenses	8,806,295	758,274	9,564,569
	<hr/>		
OPERATING INCOME (LOSS)	(871,846)	(125,642)	(997,488)
NON-OPERATING REVENUES (EXPENSES)			
Investment income	74,991	72,996	147,987
Interest expense and fiscal agent fees	(167,063)	-	(167,063)
	<hr/>		
Total non-operating revenues (expenses)	(92,072)	72,996	(19,076)
	<hr/>		
INCOME (LOSS) BEFORE TRANSFERS	(963,918)	(52,646)	(1,016,564)
TRANSFERS			
Transfers in	1,168,664	1,318,839	2,487,503
Transfers (out)	(1,318,839)	(1,168,664)	(2,487,503)
	<hr/>		
Total transfers	(150,175)	150,175	-
	<hr/>		
CHANGE IN NET POSITION	(1,114,093)	97,529	(1,016,564)
	<hr/>		
NET POSITION, MAY 1	52,346,562	7,455,929	59,802,491
	<hr/>		
NET POSITION, APRIL 30	\$ 51,232,469	\$ 7,553,458	\$ 58,785,927

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
WATER DEPARTMENT			
Personnel			
IMRF	\$ 130,000	\$ 130,000	\$ 119,132
FICA	85,000	85,000	79,301
Unemployment tax	1,800	1,800	1,377
Health insurance	180,000	180,000	171,979
Salaries	1,064,000	1,064,000	1,021,539
Overtime	26,000	26,000	50,056
Commodities			
Meters	18,400	38,400	28,135
Office supplies	600	600	353
Materials	19,300	19,300	13,778
Chemicals	199,100	199,100	164,119
Postage	26,300	26,300	24,973
Small tools and equipment	17,000	15,100	11,151
Fuel	17,000	17,000	17,651
Lab supplies	11,700	11,700	9,963
Office furniture and equipment	1,400	1,800	1,522
IT equipment and supplies	61,200	62,400	47,771
Contractual services			
Utilities	293,100	315,600	269,076
Legal services	4,000	1,000	306
Audit services	5,000	5,000	4,549
Engineering services	20,000	41,000	-
Professional services	194,800	208,800	190,466
Insurance	92,000	92,000	64,113
Publications	1,300	1,300	516
Printing	3,700	3,700	3,386
Physical exams	1,600	1,600	158
Travel, training, dues	10,500	10,500	5,243
Bank processing fees	22,000	22,000	23,934
ACH rebates	-	-	21,135
Uniforms	11,200	11,200	5,740
Maintenance			
Wells	92,300	164,800	135,117
Booster station	17,900	6,900	6,357
Maintenance storage facility	17,000	9,000	8,677
Treatment facility	93,600	93,600	87,303
Distribution system	57,400	59,900	51,484
Vehicle maintenance	28,000	28,000	20,458
Building maintenance	94,000	94,000	93,216
Maintenance - other	800	800	431
Equipment maintenance	37,000	37,000	25,393
Total water department	2,956,000	3,086,200	2,779,858

(This schedule is continued on the following pages.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
 WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
SEWER DEPARTMENT			
Personnel			
IMRF	\$ 109,000	\$ 109,000	\$ 104,852
FICA	73,400	73,400	70,198
Unemployment tax	1,600	1,600	1,260
Health insurance	143,000	143,000	137,042
Salaries	915,000	915,000	921,194
Overtime	20,000	20,000	32,680
Commodities			
Meters	18,350	38,350	26,789
Office supplies	550	550	259
Materials	28,000	28,000	4,883
Chemicals	73,000	73,000	60,043
Postage	26,000	26,000	24,977
Small tools and equipment	17,000	17,000	15,719
Fuel	12,500	12,500	16,682
Lab supplies	7,000	7,000	3,905
Office furniture and equipment	20,000	20,000	12,575
IT equipment and supplies	70,100	70,800	57,985
Contractual services			
Utilities	352,400	352,400	306,178
Legal services	4,000	4,000	44
Audit services	5,000	5,000	4,549
Engineering services	4,000	5,500	1,673
Professional services	163,000	169,600	148,744
Insurance	82,000	82,000	60,860
Publications	1,100	1,100	568
Printing	1,100	1,100	575
Equipment rental	1,000	1,000	702
Physical exams	1,600	1,600	405
Sludge removal	256,500	141,500	92,468
Travel, training, dues	11,450	11,450	4,777
Bank processing fees	22,000	22,000	23,934
ACH rebates	-	-	21,226
Uniforms	13,500	13,500	8,030
Maintenance			
Treatment facility	170,000	170,000	154,036
Lift station	66,400	66,400	59,868
Collection station	14,500	14,500	3,472
Vehicle maintenance	23,000	23,000	29,272
Building maintenance	101,000	101,000	94,770
Equipment maintenance	45,500	45,500	33,846
Other	1,100	1,100	731
 Total sewer department	 2,874,650	 2,788,450	 2,541,771

(This schedule is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
 WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
NONDEPARTMENTAL			
Contractual services			
Legal services	\$ 20,000	\$ 20,000	\$ 1,663
Engineering services	1,987,000	1,320,000	100,678
Infrastructure maintenance	965,000	965,000	654,837
Capital outlay	1,500,000	3,145,000	1,096
	<hr/>		
Total nondepartmental	4,472,000	5,450,000	758,274
	<hr/>		
TOTAL WATER AND SEWER OPERATIONS	\$ 10,302,650	\$ 11,324,650	6,079,903
	<hr/>		
ADJUSTMENTS TO GAAP BASIS			
Water Department			
Pension expense			14,602
			<hr/>
Total water department			14,602
			<hr/>
Sewer Department			
Pension expense			12,930
			<hr/>
Total sewer department			12,930
			<hr/>
Depreciation			3,457,134
			<hr/>
TOTAL WATER AND SEWER OPERATIONS - GAAP BASIS			\$ 9,564,569
			<hr/>

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

VILLAGE OF ALGONQUIN, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS**

April 30, 2018

	Building Service Fund	Vehicle Maintenance Fund	Total
CURRENT ASSETS			
Receivables			
Accounts	\$ -	\$ 5,619	\$ 5,619
Inventory	47,160	94,367	141,527
Total current assets	47,160	99,986	147,146
CAPITAL ASSETS			
Depreciable, net of accumulated depreciation	18,517	92,977	111,494
Net capital assets	18,517	92,977	111,494
Total assets	65,677	192,963	258,640
CURRENT LIABILITIES			
Accounts payable	24,507	56,899	81,406
Due to other funds	16,480	27,039	43,519
Total current liabilities	40,987	83,938	124,925
NET POSITION			
Net investment in capital assets	18,517	92,977	111,494
Unrestricted	6,173	16,048	22,221
TOTAL NET POSITION	\$ 24,690	\$ 109,025	\$ 133,715

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2018

	Building Service Fund	Vehicle Maintenance Fund	Total
OPERATING REVENUES			
Charges for services			
Maintenance billings	\$ 842,417	\$ 760,913	\$ 1,603,330
Fire district fuel	-	44,645	44,645
Fuel billings	-	194,213	194,213
Fleet maintenance	-	133,546	133,546
Miscellaneous	291	576	867
	<hr/>		
Total operating revenues	842,708	1,133,893	1,976,601
OPERATING EXPENSES			
Personnel	462,021	373,661	835,682
Contractual services	36,693	14,290	50,983
Supplies and materials	129,269	571,090	700,359
Maintenance	199,238	117,180	316,418
Other charges	15,487	15,200	30,687
Depreciation	6,173	16,047	22,220
	<hr/>		
Total operating expenses	848,881	1,107,468	1,956,349
	<hr/>		
OPERATING INCOME (LOSS)	(6,173)	26,425	20,252
NON-OPERATING REVENUES (EXPENSES)			
None	-	-	-
	<hr/>		
Total non-operating revenues (expenses)	-	-	-
	<hr/>		
CHANGE IN NET POSITION	(6,173)	26,425	20,252
	<hr/>		
NET POSITION, MAY 1	30,863	82,600	113,463
	<hr/>		
NET POSITION, APRIL 30	\$ 24,690	\$ 109,025	\$ 133,715
	<hr/> <hr/>		

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

For the Year Ended April 30, 2018

	Building Service Fund	Vehicle Maintenance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ -	\$ 372,404	\$ 372,404
Cash received for interfund services provided	842,417	768,113	1,610,530
Payments to suppliers	(384,273)	(705,948)	(1,090,221)
Payments to employees	(462,021)	(373,661)	(835,682)
Other receipts (payments)	291	576	867
Net cash from operating activities	(3,586)	61,484	57,898
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund transactions	3,586	(61,484)	(57,898)
Net cash from noncapital financing activities	3,586	(61,484)	(57,898)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
None	-	-	-
Net cash from capital and related financing activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
None	-	-	-
Net cash from investing activities	-	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	-	-	-
CASH AND CASH EQUIVALENTS, MAY 1	-	-	-
CASH AND CASH EQUIVALENTS, APRIL 30	\$ -	\$ -	\$ -

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2018

	Building Service Fund	Vehicle Maintenance Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (6,173)	\$ 26,425	\$ 20,252
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	6,173	16,047	22,220
Increase (decrease) in			
Accounts receivable	-	7,200	7,200
Inventory	2,289	7,233	9,522
Accounts payable	(5,875)	4,579	(1,296)
Total adjustments	2,587	35,059	37,646
NET CASH FROM OPERATING ACTIVITIES	\$ (3,586)	\$ 61,484	\$ 57,898

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS
BUILDING SERVICE FUND

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Maintenance billings	\$ 927,500	\$ 927,500	\$ 842,417
Miscellaneous	-	-	291
	<hr/>		
Total operating revenues	927,500	927,500	842,708
	<hr/>		
OPERATING EXPENSES			
Personnel	476,200	476,200	462,021
Contractual services	44,950	44,950	36,693
Supplies and materials	145,700	145,700	129,269
Maintenance	237,800	237,800	199,238
Other charges	20,300	20,300	15,487
	<hr/>		
Total operating expenses	924,950	924,950	842,708
	<hr/>		
CHANGE IN NET POSITION (BUDGETARY BASIS)	\$ 2,550	\$ 2,550	-
	<hr/>		
ADJUSTMENTS TO GAAP BASIS			
Depreciation			<hr/> 6,173
Total adjustments to GAAP basis			<hr/> 6,173
CHANGE IN NET POSITION (GAAP BASIS)			(6,173)
NET POSITION, MAY 1			<hr/> 30,863
NET POSITION, APRIL 30			<hr/> \$ 24,690 <hr/>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
BUILDING SERVICE FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Personnel			
IMRF	\$ 41,000	\$ 41,000	\$ 37,427
FICA	27,500	27,500	25,806
SUI	700	700	547
Health insurance	53,000	53,000	51,312
Salaries	338,000	338,000	334,451
Overtime	16,000	16,000	12,478
Total personnel	476,200	476,200	462,021
Contractual services			
Telephone	5,750	5,750	3,856
Physical exams	-	-	60
Professional services	39,200	39,200	32,777
Total contractual services	44,950	44,950	36,693
Supplies and materials			
Office supplies	150	150	150
Building supplies	137,450	137,450	120,881
Tools, equipment, and supplies	5,600	5,600	5,367
Fuel	2,500	2,500	2,871
Total supplies and materials	145,700	145,700	129,269
Maintenance			
Vehicle maintenance	6,000	6,000	5,208
Equipment maintenance	5,000	5,000	116
Outsourced building maintenance	225,800	225,800	193,298
Office equipment maintenance	1,000	1,000	616
Total maintenance	237,800	237,800	199,238
Other charges			
Travel, training, and dues	15,880	15,880	12,093
Uniforms and safety items	4,420	4,420	3,394
Total other charges	20,300	20,300	15,487
TOTAL OPERATING EXPENSES	\$ 924,950	\$ 924,950	\$ 842,708

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS
VEHICLE MAINTENANCE FUND

For the Year Ended April 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
OPERATING REVENUES			
Charges for services			
Maintenance billings	\$ 865,000	\$ 865,000	\$ 760,913
Fire district fuel	37,000	37,000	44,645
Fuel billings	193,000	193,000	194,213
Fleet maintenance	60,000	60,000	133,546
Miscellaneous	-	-	576
	<hr/>		
Total operating revenues	1,155,000	1,155,000	1,133,893
	<hr/>		
OPERATING EXPENSES			
Personnel	375,600	375,600	373,661
Contractual services	22,150	22,150	14,290
Supplies and materials	604,300	604,300	571,090
Maintenance	130,000	130,000	117,180
Other charges	19,200	19,200	15,200
	<hr/>		
Total operating expenses	1,151,250	1,151,250	1,091,421
	<hr/>		
CHANGE IN NET POSITION (BUDGETARY BASIS)	\$ 3,750	\$ 3,750	42,472
	<hr/>		
ADJUSTMENTS TO GAAP BASIS			
Depreciation			16,047
	<hr/>		
Total adjustments to GAAP basis			16,047
	<hr/>		
CHANGE IN NET POSITION (GAAP BASIS)			26,425
	<hr/>		
NET POSITION, MAY 1			82,600
	<hr/>		
NET POSITION, APRIL 30			<u>\$ 109,025</u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
VEHICLE MAINTENANCE FUND

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Personnel			
IMRF	\$ 32,000	\$ 32,000	\$ 30,194
FICA	22,000	22,000	20,600
SUI	600	600	415
Health insurance	45,000	45,000	44,262
Salaries	266,000	266,000	271,213
Overtime	10,000	10,000	6,977
Total personnel	375,600	375,600	373,661
Contractual services			
Telephone	4,200	4,200	4,890
Professional services	10,150	10,150	6,738
Publications	4,800	4,800	1,500
Equipment rental	3,000	3,000	1,162
Total contractual services	22,150	22,150	14,290
Supplies and materials			
Office supplies	200	200	200
Postage	500	500	13
Tools, equipment, and supplies	17,300	17,300	17,010
Fuel	232,000	232,000	241,897
Oil, lubricants, and fluids	354,300	354,300	311,970
Total supplies and materials	604,300	604,300	571,090
Maintenance			
Vehicle maintenance	4,000	4,000	3,675
Building maintenance	55,000	55,000	62,263
Outsourced vehicle and equipment maintenance	1,000	1,000	632
Office equipment maintenance	70,000	70,000	50,610
Total maintenance	130,000	130,000	117,180
Other charges			
Travel, training, and dues	10,150	10,150	7,766
Uniforms and safety items	9,050	9,050	7,434
Total other charges	19,200	19,200	15,200
TOTAL OPERATING EXPENSES	\$ 1,151,250	\$ 1,151,250	\$ 1,091,421

(See independent auditor's report.)

FIDUCIARY FUNDS

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION -
BUDGET AND ACTUAL
POLICE PENSION FUND

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
ADDITIONS			
Contributions			
Employer	\$ 1,900,000	\$ 1,900,000	\$ 1,900,000
Employee	432,500	432,500	409,143
Total contributions	2,332,500	2,332,500	2,309,143
Investment income			
Net appreciation in fair value of investments	-	-	1,111,568
Interest	1,503,000	1,503,000	693,677
Total investment income	1,503,000	1,503,000	1,805,245
Less investment expense	(87,000)	(87,000)	(93,182)
Net investment income	1,416,000	1,416,000	1,712,063
Total additions	3,748,500	3,748,500	4,021,206
DEDUCTIONS			
Pension benefits	1,170,000	1,170,000	1,170,771
Administrative expenses	50,000	50,000	43,767
Total deductions	1,220,000	1,220,000	1,214,538
CHANGE IN NET POSITION	\$ 2,528,500	\$ 2,528,500	2,806,668
NET POSITION RESTRICTED FOR PENSIONS			
May 1			25,647,185
April 30			\$ 28,453,853

(See independent auditor's report.)

SUPPLEMENTAL SCHEDULES

VILLAGE OF ALGONQUIN, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES OF 2013 WATER AND SEWER**

April 30, 2018

Date of Issue December 3, 2013
Date of Maturity April 1, 2025
Interest Rate 3.00% to 3.25%
Interest Dates October 1 and April 1
Payable at BNY Midwest Trust Company

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	October 1		April 1		Total
	Interest	Principal	Interest		
2019	\$ 79,713	\$ 665,000	\$ 79,713	\$ 824,426	
2020	69,738	695,000	69,738	834,476	
2021	59,313	715,000	59,313	833,626	
2022	48,588	755,000	48,588	852,176	
2023	37,263	770,000	37,263	844,526	
2024	25,713	815,000	25,713	866,426	
2025	13,488	830,000	13,488	856,976	
	<u>\$ 333,816</u>	<u>\$ 5,245,000</u>	<u>\$ 333,816</u>	<u>\$ 5,912,632</u>	

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES OF 2014A DEBT SERVICE**

April 30, 2018

Date of Issue	January 21, 2014
Date of Maturity	April 1, 2020
Interest Rate	2.00% to 2.50%
Interest Dates	October 1 and April 1
Payable at	BNY Midwest Trust Company

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	October 1		April 1		Total
	Interest	Principal	Interest		
2019	\$ 15,188	\$ 600,000	\$ 15,188	\$ 630,376	
2020	7,688	615,000	7,688	630,376	
	<u>\$ 22,876</u>	<u>\$ 1,215,000</u>	<u>\$ 22,876</u>	<u>\$ 1,260,752</u>	

(See independent auditor's report.)

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	102-111
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	112-117
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	118-122
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	123-124
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	125-127

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

VILLAGE OF ALGONQUIN, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 179,027,466	\$ 176,607,596	\$ 175,520,012	\$ 177,068,931
Restricted	6,281,547	7,376,272	7,503,441	2,266,916
Unrestricted	7,633,118	7,055,416	8,606,808	15,271,626
TOTAL GOVERNMENTAL ACTIVITIES	\$ 192,942,131	\$ 191,039,284	\$ 191,630,261	\$ 194,607,473
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 73,436,233	\$ 63,883,643	\$ 60,837,070	\$ 57,848,186
Restricted	406,000	920,000	817,000	1,523,000
Unrestricted	4,727,611	5,027,550	7,274,331	8,938,628
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 78,569,844	\$ 69,831,193	\$ 68,928,401	\$ 68,309,814
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 252,463,699	\$ 240,491,239	\$ 236,357,082	\$ 234,917,117
Restricted	6,687,547	8,296,272	8,320,441	3,789,916
Unrestricted	12,360,729	12,082,966	15,881,139	24,210,254
TOTAL PRIMARY GOVERNMENT	\$ 271,511,975	\$ 260,870,477	\$ 260,558,662	\$ 262,917,287

*The Village implemented GASB Statement No. 68 for the fiscal year ended April 30, 2016.

Data Source

Audited Financial Statements

2013	2014	2015	2016*	2017	2018
\$ 181,677,850	\$ 179,276,332	\$ 181,340,289	\$ 179,194,896	\$ 181,389,998	\$ 183,768,380
1,860,785	2,309,292	3,055,239	3,114,451	6,534,289	4,548,278
17,932,292	21,967,034	24,222,228	8,095,190	2,549,697	7,516,172
<u>\$ 201,470,927</u>	<u>\$ 203,552,658</u>	<u>\$ 208,617,756</u>	<u>\$ 190,404,537</u>	<u>\$ 190,473,984</u>	<u>\$ 195,832,830</u>
\$ 55,074,145	\$ 54,136,285	\$ 52,805,499	\$ 49,930,507	\$ 47,453,693	\$ 45,841,568
872,688	866,338	830,426	806,625	808,325	824,426
13,150,719	13,024,609	11,375,018	10,973,454	11,540,473	12,119,933
<u>\$ 69,097,552</u>	<u>\$ 68,027,232</u>	<u>\$ 65,010,943</u>	<u>\$ 61,710,586</u>	<u>\$ 59,802,491</u>	<u>\$ 58,785,927</u>
\$ 236,751,995	\$ 233,412,617	\$ 234,145,788	\$ 229,125,403	\$ 228,843,691	\$ 229,609,948
2,733,473	3,175,630	3,885,665	3,921,076	7,342,614	5,372,704
31,083,011	34,991,643	35,597,246	19,068,644	14,090,170	19,636,105
<u>\$ 270,568,479</u>	<u>\$ 271,579,890</u>	<u>\$ 273,628,699</u>	<u>\$ 252,115,123</u>	<u>\$ 250,276,475</u>	<u>\$ 254,618,757</u>

VILLAGE OF ALGONQUIN, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012
EXPENSES				
Governmental activities				
General government	\$ 4,618,093	\$ 4,511,797	\$ 4,538,951	\$ 4,742,261
Public safety	7,686,244	7,924,602	8,086,707	8,267,862
Public works	16,991,574	12,154,994	8,930,380	8,872,523
Interest	408,053	395,572	344,884	345,353
Total governmental activities expenses	29,703,964	24,986,965	21,900,922	22,227,999
BUSINESS-TYPE ACTIVITIES				
Water and sewer	8,708,844	16,311,087	8,578,470	8,551,752
Total business-type activities expenses	8,708,844	16,311,087	8,578,470	8,551,752
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 38,412,808	\$ 41,298,052	\$ 30,479,392	\$ 30,779,751
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	\$ 1,416,942	\$ 732,201	\$ 718,779	\$ 883,440
Public safety	745,832	1,223,423	977,767	1,003,544
Public works	42,130	21,704	14,989	26,448
Operating grants and contributions	1,017,003	971,168	1,191,828	1,278,892
Capital grants and contributions	3,807,774	1,579,772	368,995	1,783,794
Total governmental activities program revenues	7,029,681	4,528,268	3,272,358	4,976,118
Business-type activities				
Charges for services				
Water/sewer	5,624,824	5,201,422	5,450,665	5,596,381
Operating grants and contributions	34,040	37,071	54,112	112,067
Capital grants and contributions	959,913	-	-	-
Total business-type activities program revenues	6,618,777	5,238,493	5,504,777	5,708,448
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 13,648,458	\$ 9,766,761	\$ 8,777,135	\$ 10,684,566
NET (EXPENSE) REVENUE				
Governmental activities	\$ (22,674,283)	\$ (20,458,697)	\$ (18,628,564)	\$ (17,251,881)
Business-type activities	(2,090,067)	(11,072,594)	(3,073,693)	(2,843,304)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	\$ (24,764,350)	\$ (31,531,291)	\$ (21,702,257)	\$ (20,095,185)

	2013	2014	2015	2016*	2017	2018
\$	4,682,238	\$ 4,538,905	\$ 5,218,534	\$ 5,526,982	\$ 4,950,693	\$ 4,117,420
	8,668,334	8,842,616	9,089,370	9,516,306	9,649,552	9,111,816
	8,059,774	10,521,914	11,339,697	10,339,204	12,779,514	10,361,180
	190,092	160,780	93,117	58,580	46,848	34,363
	21,600,438	24,064,215	25,740,718	25,441,072	27,426,607	23,624,779
	8,738,058	8,487,380	9,580,289	9,514,803	9,066,657	9,731,632
	8,738,058	8,487,380	9,580,289	9,514,803	9,066,657	9,731,632
\$	30,338,496	\$ 32,551,595	\$ 35,321,007	\$ 34,955,875	\$ 36,493,264	\$ 33,356,411
\$	1,470,286	\$ 886,332	\$ 821,200	\$ 1,282,209	\$ 1,058,488	\$ 1,286,862
	1,022,031	1,062,432	932,375	498,868	409,390	364,744
	52,023	27,637	7,157	-	18,103	-
	1,288,203	1,218,237	1,942,714	1,218,006	1,144,420	1,117,302
	4,130,903	1,616,727	3,851,095	425,781	394,426	1,700,083
	7,963,446	4,811,365	7,554,541	3,424,864	3,024,827	4,468,991
	7,858,350	6,073,440	6,079,733	6,909,153	7,032,664	8,480,944
	-	687,145	2,681	-	-	-
	-	-	390,177	-	-	-
	7,858,350	6,760,585	6,472,591	6,909,153	7,032,664	8,480,944
\$	15,821,796	\$ 11,571,950	\$ 14,027,132	\$ 10,334,017	\$ 10,057,491	\$ 12,949,935
\$	(13,636,992)	\$ (19,252,850)	\$ (18,186,177)	\$ (22,016,208)	\$ (24,401,780)	\$ (19,155,788)
	(879,708)	(1,726,795)	(3,107,698)	(2,605,650)	(2,033,993)	(1,250,688)
\$	(14,516,700)	\$ (20,979,645)	\$ (21,293,875)	\$ (24,621,858)	\$ (26,435,773)	\$ (20,406,476)

VILLAGE OF ALGONQUIN, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property	\$ 5,583,456	\$ 5,939,181	\$ 5,960,733	\$ 6,000,829
Home rule sales tax	-	-	-	-
Utility	1,014,164	947,168	1,015,552	963,634
Other	887,618	866,264	1,189,334	1,438,886
Intergovernmental - unrestricted				
Sales and use tax	6,848,007	7,550,234	8,030,266	8,630,053
Income tax	3,067,163	2,676,478	2,817,443	3,003,337
Franchise fees	-	-	-	-
Investment income	342,425	215,056	192,446	177,276
Miscellaneous	467,774	361,469	13,767	15,078
Total governmental activities	18,210,607	18,555,850	19,219,541	20,229,093
Business-type activities				
Sales	3,112,492	2,282,512	2,140,901	2,189,131
Investment income	79,999	51,431	30,000	35,586
Miscellaneous	308,500	-	-	-
Total business-type activities	3,500,991	2,333,943	2,170,901	2,224,717
TOTAL PRIMARY GOVERNMENT	\$ 21,711,598	\$ 20,889,793	\$ 21,390,442	\$ 22,453,810
CHANGE IN NET POSITION				
Governmental activities	\$ (4,463,676)	\$ (1,902,847)	\$ 590,977	\$ 2,977,212
Business-type activities	1,410,924	(8,738,651)	(902,792)	(618,587)
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ (3,052,752)	\$ (10,641,498)	\$ (311,815)	\$ 2,358,625

*Beginning in fiscal year 2016, home rule sales tax and franchise fees are presented separately from sales and use tax and other taxes, respectively.

Data Source

Audited Financial Statements

	2013	2014	2015	2016*	2017	2018
\$	5,904,067	\$ 5,874,845	\$ 5,844,048	\$ 5,937,891	\$ 6,266,415	\$ 6,376,663
	-	-	-	4,120,849	4,227,205	4,187,426
	999,135	998,361	951,723	899,377	923,668	919,160
	1,220,371	1,150,583	1,219,631	869,147	870,321	792,159
	9,023,020	10,129,119	11,459,955	7,635,490	7,704,133	7,733,394
	3,294,417	3,393,115	3,699,105	3,899,246	3,645,402	3,576,767
	-	-	-	546,474	547,683	531,436
	74,537	(219,130)	69,180	111,774	139,744	276,459
	17,146	7,688	7,633	293,938	146,656	121,170
	20,532,693	21,334,581	23,251,275	24,314,186	24,471,227	24,514,634
	1,665,803	742,925	-	-	-	-
	45,222	(205,050)	72,105	24,551	55,540	147,987
	-	118,600	19,304	80,427	70,358	86,137
	1,711,025	656,475	91,409	104,978	125,898	234,124
\$	22,243,718	\$ 21,991,056	\$ 23,342,684	\$ 24,419,164	\$ 24,597,125	\$ 24,748,758
\$	6,895,701	\$ 2,081,731	\$ 5,065,098	\$ 2,297,978	\$ 69,447	\$ 5,358,846
	831,317	(1,070,320)	(3,016,289)	(2,500,672)	(1,908,095)	(1,016,564)
\$	7,727,018	\$ 1,011,411	\$ 2,048,809	\$ (202,694)	\$ (1,838,648)	\$ 4,342,282

VILLAGE OF ALGONQUIN, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012
GENERAL FUND				
Reserved	\$ 91,051	\$ 820,482	\$ 1,087,729	N/A
Unreserved - designated	723,366	630,847	631,745	N/A
Unreserved - undesignated	7,537,908	8,031,591	8,981,623	N/A
Nonspendable	N/A	N/A	N/A	\$ 104,327
Restricted	N/A	N/A	N/A	-
Committed	N/A	N/A	N/A	-
Assigned	N/A	N/A	N/A	-
Unassigned	N/A	N/A	N/A	13,237,235
TOTAL GENERAL FUND	\$ 8,352,325	\$ 9,482,920	\$ 10,701,097	\$ 13,341,562
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 6,191,767	\$ 6,633,759	\$ 6,506,815	N/A
Unreserved, reported in				
Special Revenue Fund	3,088,941	2,363,027	3,001,419	N/A
Capital Projects Fund	127,264	129,144	130,320	N/A
Debt Service Fund	-	-	-	N/A
Nonspendable	N/A	N/A	N/A	\$ 225
Restricted	N/A	N/A	N/A	2,266,916
Committed	N/A	N/A	N/A	-
Assigned	N/A	N/A	N/A	5,247,710
Unassigned	N/A	N/A	N/A	(94,471)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 9,407,972	\$ 9,125,930	\$ 9,638,554	\$ 7,420,380
TOTAL FUND BALANCES	\$ 17,760,297	\$ 18,608,850	\$ 20,339,651	\$ 20,761,942

Note: The Village implemented GASB Statement No. 54 for the fiscal year ended April 30, 2012.

N/A - Not applicable

Data Source

Audited Financial Statements

	2013	2014	2015	2016	2017	2018
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
\$	128,636	\$ 87,013	\$ 86,209	\$ 706,122	\$ 735,904	\$ 737,981
	-	-	578,255	395,843	1,440,207	1,261,957
	-	-	-	-	271,471	276,168
	-	-	-	-	-	-
	14,576,319	14,953,584	15,176,721	16,469,895	14,551,378	16,165,039
\$	14,704,955	\$ 15,040,597	\$ 15,841,185	\$ 17,571,860	\$ 16,998,960	\$ 18,441,145
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
\$	235	\$ 167	\$ 166	\$ 135	\$ 169	\$ 151
	1,860,785	2,309,292	2,476,984	3,114,451	4,475,414	3,286,321
	-	-	-	-	-	-
	6,098,107	7,180,275	8,236,873	12,921,405	10,291,077	15,374,279
	-	-	(279,467)	(834,949)	(1,672,058)	(4,342,140)
\$	7,959,127	\$ 9,489,734	\$ 10,434,556	\$ 15,201,042	\$ 13,094,602	\$ 14,318,611
\$	22,664,082	\$ 24,530,331	\$ 26,275,741	\$ 32,772,902	\$ 30,093,562	\$ 32,759,756

VILLAGE OF ALGONQUIN, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012
REVENUES				
Taxes	\$ 17,616,380	\$ 18,408,483	\$ 19,016,084	\$ 19,922,146
Licenses and permits	934,656	339,520	358,788	397,652
Intergovernmental, grants, and contributions	1,591,706	1,696,032	1,277,185	1,553,508
Charges for services	520,417	463,882	301,319	338,722
Fines and forfeits	694,899	1,132,348	907,896	864,061
Investment income (loss)	342,425	215,055	192,446	177,277
Miscellaneous	128,001	55,366	58,564	135,304
Total revenues	21,828,484	22,310,686	22,112,282	23,388,670
EXPENDITURES				
General government	4,159,903	4,030,535	4,109,045	4,138,167
Public safety	7,516,079	7,730,736	7,980,376	8,328,490
Public works	5,101,332	6,098,858	6,064,344	5,685,056
Capital outlay	2,305,322	2,874,139	1,512,055	1,217,825
Debt service				
Principal	451,600	465,000	500,000	3,420,695
Interest	281,778	262,865	187,454	176,146
Total expenditures	19,816,014	21,462,133	20,353,274	22,966,379
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,012,470	848,553	1,759,008	422,291
OTHER FINANCING SOURCES (USES)				
Transfers in	669,376	678,098	852,355	852,355
Transfers (out)	(669,376)	(678,098)	(852,355)	(852,355)
Proceeds from capital lease	-	-	-	-
Proceeds from bonds/issuance of refunding bonds	-	-	-	-
Premium on general obligation bonds	-	-	-	-
Transfer to refunded bond escrow	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ 2,012,470	\$ 848,553	\$ 1,759,008	\$ 422,291
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	4.19%	3.92%	3.65%	16.54%

*Beginning in fiscal year 2016, state sales tax, use tax, and income tax are reported as intergovernmental revenue.

Data Source

Audited Financial Statements

	2013	2014	2015	2016*	2017	2018
\$	20,385,852	\$ 21,452,273	\$ 23,141,444	\$ 11,770,767	\$ 12,287,609	\$ 12,275,407
	705,734	407,800	589,957	823,414	612,193	774,553
	2,378,726	1,438,538	2,436,940	12,809,274	12,876,044	12,767,070
	340,063	333,652	343,116	778,570	368,237	351,454
	798,921	749,287	687,897	551,438	459,464	414,078
	74,537	(219,130)	69,180	119,847	206,719	301,119
	128,322	263,402	218,533	885,770	685,788	689,944
	24,812,155	24,425,822	27,487,067	27,739,080	27,496,054	27,573,625
	4,343,983	4,279,256	4,531,249	4,740,911	5,263,774	4,992,141
	8,570,284	8,787,750	9,114,836	8,864,640	9,285,421	9,391,707
	7,485,932	7,066,611	8,060,229	6,207,114	10,521,050	7,067,477
	1,754,682	2,054,583	2,957,881	2,084,527	3,858,214	3,442,779
	590,000	634,615	689,757	565,825	571,951	588,138
	165,134	153,287	89,505	68,040	56,316	43,857
	22,910,015	22,976,102	25,443,457	22,531,057	29,556,726	25,526,099
	1,902,140	1,449,720	2,043,610	5,208,023	(2,060,672)	2,047,526
	852,355	850,000	596,147	599,829	1,909,801	625,000
	(852,355)	(850,000)	(596,147)	(599,829)	(1,909,801)	(625,000)
	-	106,265	-	-	-	-
	-	2,885,000	-	-	-	-
	-	119,392	-	-	-	-
	-	(2,992,328)	-	-	-	-
	-	118,329	-	-	-	-
\$	1,902,140	\$ 1,568,049	\$ 2,043,610	\$ 5,208,023	\$ (2,060,672)	\$ 2,047,526
	3.57%	3.77%	3.47%	3.04%	2.70%	3.05%

VILLAGE OF ALGONQUIN, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Other Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value	Commercial or Industrial		Residential	
									Number of Permits	Value (1)	Number of Permits	Value (1)
2008	\$ 945,636,052	\$ 192,038,216	\$ 15,042,082	\$ 2,357,036	\$ 1,155,073,386	\$ 0.4849	\$ 3,465,220,158	33.333%	10	\$ 23,298,000	15	\$ 5,344,348
2009	936,696,159	204,128,666	14,380,217	2,386,354	1,157,591,396	0.4839	3,472,774,188	33.333%	3	1,771,968	3	1,125,170
2010	860,584,473	199,171,411	15,301,720	2,563,069	1,077,620,673	0.5233	3,232,862,019	33.333%	2	2,316,784	2	1,244,433
2011	777,644,853	186,100,950	14,937,997	2,596,949	981,280,749	0.5642	2,943,842,247	33.333%	1	5,136,364	0	-
2012	701,596,262	170,572,789	12,346,224	2,685,421	887,200,696	0.6208	2,661,602,088	33.333%	0	-	11	21,107,592
2013	638,297,331	153,327,229	10,791,813	2,595,085	805,011,458	0.6775	2,415,034,374	33.333%	5	1,582,118	4	1,355,749
2014	614,951,665	150,078,586	10,302,225	2,478,946	777,811,422	0.7047	2,333,434,266	33.333%	2	6,917,760	18	6,917,018
2015	632,117,357	155,044,307	10,869,811	2,539,920	800,571,395	0.7159	2,401,714,185	33.333%	5	23,264,060	24	8,535,989
2016	677,131,371	161,982,750	10,764,196	2,487,423	852,365,740	0.6570	2,557,097,220	33.333%	2	842,887	34	12,381,885
2017	721,868,930	165,068,135	11,045,596	2,652,140	900,634,801	0.6218	2,701,904,403	33.333%	2	8,823,020	33	10,895,670

Note: Property is assessed at 33 1/3% of actual value; property tax rates are per \$100 of assessed valuation
 Property is assessed on the following basis: McHenry Township - Annual; Dundee Township - Quadrennial (minimum)
 Grafton Township - Quadrennial (minimum)
 Value (1) - The estimated construction cost is provided by the permit applicant

Data Sources

Assessed Value, Tax Rate, Taxable Value: Office of the County Clerks and Township Assessors
 Permits and Construction Value: Village of Algonquin Records

VILLAGE OF ALGONQUIN, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Levy Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
DIRECT TAX RATES										
General Corporate	0.4849	0.4839	0.5233	0.5642	0.6208	0.6775	0.7047	0.7159	0.6570	0.6218
Total direct rates	0.4849	0.4839	0.5233	0.5642	0.6208	0.6775	0.7047	0.7159	0.6570	0.6218
OVERLAPPING TAX RATES										
Fire District(s)	2.1304	2.1466	2.3469	2.4758	3.5099	3.8524	4.0108	3.9311	3.8735	3.7550
Kane County	0.3336	0.3398	0.3730	0.3990	0.4336	0.4623	0.4684	0.4479	0.4201	0.4025
Kane County Forest Preserve	0.1932	0.1997	0.2201	0.2609	0.2710	0.3039	0.3126	0.2944	0.2253	0.1658
McHenry County	0.7014	0.7157	0.7927	0.8879	0.9958	1.0960	1.1412	1.0781	1.0539	0.9019
McHenry County Conservation	0.1732	0.1775	0.1956	0.2191	0.2481	0.2748	0.2840	0.2766	0.2588	0.2449
Park districts (3)	0.6580	0.6959	0.8241	0.8665	0.7645	1.0765	1.1276	1.0618	0.8914	0.8136
Public libraries (4)	0.8438	0.8693	0.9916	1.0266	1.1517	1.2313	1.3632	1.3227	1.2601	1.2351
Road and bridge (4)	0.2237	0.2283	0.2552	0.2794	0.3942	0.4387	0.4548	0.4374	0.3999	0.3689
Schools (4)	8.4892	8.7353	9.9611	10.4509	12.0424	13.1491	14.0008	13.4877	12.5931	12.3311
Townships (4)	0.2522	0.2620	0.2984	0.3230	0.4165	0.4316	0.4468	0.4283	0.3792	0.2406
Algonquin SSA #1	-	-	-	-	-	-	-	5.6066	23.0860	3.6278
Total overlapping rates	13.9987	14.3701	16.2587	17.1891	20.2277	22.3166	23.6102	28.3726	44.4413	24.0872
TOTAL TAX RATES	14.4836	14.8540	16.7820	17.7533	20.8485	22.9941	24.3149	29.0885	45.0983	24.7090

Property tax rates are per \$100 of assessed valuation

Data Source

Office of the County Clerk

VILLAGE OF ALGONQUIN, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2018			2009		
	2017 Taxable Equalized Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	2008 Taxable Equalized Assessed Value	Rank	Percentage of Total Village Equalized Assessed Valuation
In Retail Fund Algonquin Commons LLC	\$ 20,508,282	1	2.28%	\$ 31,805,337	1	2.75%
Marquette EJP Algonquin LLC	9,002,467	2	1.00%			0.00%
Rubloff Oakridge Algonquin LLC	7,223,328	3	0.80%	9,412,240	2	0.81%
Oakridge Court LLC	5,044,603	4	0.56%			0.00%
Algonquin Galleria of Illinois LLC	4,303,066	5	0.48%			0.00%
Wal-Mart Stores Inc.	3,852,124	6	0.43%	4,504,060	4	0.39%
LTF USA Real Estate Co Inc.	3,728,212	7	0.41%	4,086,415	5	0.35%
Meijer Stores LTD Partnership	3,580,500	8	0.40%	3,976,726	6	0.34%
HSRE Algonquin LLC	3,534,576	9	0.39%			0.00%
Target Corporation	3,230,000	10	0.36%	4,835,791	3	0.42%
RPA Shopping Center Ph. 1 LLC				3,246,540	9	0.28%
HD Development of MD Inc.				3,651,457	7	0.32%
Jewel Food Stores, Inc.				3,602,690	8	0.31%
Nickels Quarters LLC				3,066,196	10	0.27%
TOTAL	<u>\$ 64,007,158</u>		<u>7.11%</u>	<u>\$ 72,187,452</u>		<u>6.24%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source

Office of the County Clerk

VILLAGE OF ALGONQUIN, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levy	Total Collections within the Levy Year		Collections in Subsequent Years	Total Collections To Date	Total Collections To Date*
		Amount	Percentage of Levy*			
2008	\$ 5,601,000	\$ 5,589,578	99.80%	\$ 184	\$ 5,589,762	99.80%
2009	5,601,000	5,596,725	99.92%	1,294	5,598,019	99.95%
2010	5,601,000	5,622,139	100.38%	1,254	5,623,393	100.40%
2011	5,575,000	5,522,438	99.06%	162	5,522,600	99.06%
2012	5,481,000	5,490,574	100.17%	-	5,490,574	100.17%
2013	5,481,000	5,451,343	99.46%	103	5,451,446	99.46%
2014	5,481,000	5,468,573	99.77%	817	5,469,390	99.79%
2015	5,893,475	5,870,423	99.61%	-	5,870,423	99.61%
2016	5,991,476	5,981,894	99.84%	-	5,981,894	99.84%
2017	6,102,372	N/A	N/A	N/A	N/A	N/A

N/A - Information not available

*Collection rates exceeding 100% are attributed to the differences due to timing Village's Tax Levy and the County's corresponding Final Tax Extension. This can occur when a county relies on estimated equalized assessed valuation (EAV) due to changes made to the EAV upon review of the state equalization board.

Note: Property is assessed at 33 1/3% of actual value.

Property is assessed on the following basis: McHenry Township - Annual;

Dundee Township - Quadrennial (minimum); Grafton Township - Quadrennial (minimum)

Data Source

Office of the County Treasurer

VILLAGE OF ALGONQUIN, ILLINOIS

SALES TAX BY CATEGORY

Last Ten Calendar Years

Calendar Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General merchandise	\$ 1,128,164	\$ 1,196,336	\$ 1,328,129	\$ 1,253,051	\$ 1,366,558	\$ 1,365,588	\$ 2,094,389	\$ 2,120,466	\$ 2,063,688	\$ 1,998,831
Food	903,485	987,441	957,066	989,997	975,961	989,451	1,072,713	1,069,547	946,826	903,442
Drinking and eating places	622,420	634,989	592,419	667,728	717,117	732,747	754,333	776,846	832,807	857,156
Apparel	509,925	455,968	519,440	685,012	588,495	593,205	607,179	586,989	644,790	671,557
Furniture and H.H. and radio	639,712	528,320	510,346	491,866	523,162	549,625	590,672	628,199	760,486	627,696
Lumber, building hardware	356,094	312,403	303,779	304,682	301,486	346,042	356,151	368,429	330,374	346,174
Automobile and filling stations	1,173,824	1,051,475	1,070,284	1,223,019	1,254,027	1,258,100	557,652	511,290	605,334	671,991
Drugs and miscellaneous retail	866,106	1,047,092	1,038,679	1,065,226	1,036,697	1,081,094	1,150,529	998,903	1,152,036	1,152,124
Agriculture and all others	180,022	125,987	110,353	103,667	94,845	106,527	129,176	333,903	156,600	280,459
Manufacturers	109,840	103,914	83,071	117,709	75,772	81,124	103,111	157,401	151,712	186,256
TOTAL	\$ 6,504,822	\$ 6,455,352	\$ 6,525,655	\$ 6,948,585	\$ 6,991,371	\$ 7,144,335	\$ 7,453,273	\$ 7,580,028	\$ 7,667,131	\$ 7,695,686
Total number of payers	825	801	766	1,128	807	794	810	815	848	822
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Village home rule sales tax rate	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%

Data Source

Illinois Department of Revenue

VILLAGE OF ALGONQUIN, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	Village Direct Rate	Village State Rate
2009	1.75%	6.00%
2010	1.75%	6.00%
2011	1.75%	6.00%
2012	1.75%	6.00%
2013	1.75%	6.00%
2014	1.75%	6.00%
2015	1.75%	6.00%
2016	1.75%	6.00%
2017	1.75%	6.00%
2018	1.75%	6.00%

Data Sources

Village and County Records

VILLAGE OF ALGONQUIN, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Ratio of Total Outstanding Debt to Equalized Assessed Valuation	Total Outstanding Debt Per Capita
	General Obligation Bonds	Capital Leases	General Obligation Bonds	Revenue Bonds			
2009	\$ 8,700,204	\$ -	\$ 10,170,000	\$ -	\$ 18,870,204	1.82%	\$ 619.06
2010	8,365,044	-	9,685,000	-	18,050,044	1.62%	592.15
2011	8,081,752	-	9,220,000	-	17,301,752	1.50%	575.84
2012	4,791,375	-	8,751,165	-	13,542,540	1.17%	450.73
2013	4,199,853	-	8,233,893	-	12,433,746	1.15%	413.82
2014	3,665,621	91,650	7,943,788	-	11,701,059	1.19%	389.44
2015	2,970,191	71,893	7,348,715	-	10,390,799	1.17%	345.83
2016	2,405,830	51,068	6,733,642	-	9,190,540	1.14%	305.88
2017	1,836,469	29,117	6,098,569	-	7,964,155	1.02%	265.07
2018	1,252,108	5,979	5,443,496	-	6,701,583	0.84%	223.04

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

VILLAGE OF ALGONQUIN, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available for Repayment	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2009	\$ 18,870,204	\$ 3,460,655	\$ 15,409,549	1.33%	\$ 505.53
2010	18,050,044	3,473,130	14,576,914	1.26%	478.21
2011	17,301,752	3,550,824	13,750,928	1.28%	457.66
2012	13,542,540	885,085	12,657,455	1.29%	421.27
2013	12,433,746	675,164	11,758,582	1.33%	391.35
2014	11,609,409	767,180	10,842,229	1.35%	360.85
2015	10,318,906	-	10,318,906	1.33%	323.07
2016	9,139,472	-	9,139,472	1.14%	304.18
2017	7,935,038	-	7,935,038	0.93%	264.10
2018	6,695,604	-	6,695,604	0.74%	222.85

*See schedule of Assessed Value and Actual Value of Taxable Property for property value data

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

VILLAGE OF ALGONQUIN, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2018

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village*	Village's Share of Debt
Kane County	\$ 39,335,000	1.79%	\$ 704,097
McHenry County Conservation District	91,070,000	8.24%	7,504,168
Kane County Forest Preserve	154,575,000	1.79%	2,766,893
Dundee Township Park District	18,435,585	14.57%	2,686,065
Huntley Park District	3,810,000	9.21%	350,901
Algonquin Public Library District	840,000	55.63%	467,292
Schools			
District No. 300	256,406,579	23.52%	60,306,827
District No. 158	88,597,803	9.71%	8,602,847
District No. 509	<u>173,388,754</u>	6.57%	<u>11,391,641</u>
Subtotal overlapping debt	826,458,721		94,780,730
Village of Algonquin direct debt	<u>1,258,087</u>	100.00%	<u>1,258,087</u>
	<u><u>\$ 827,716,808</u></u>		<u><u>\$ 96,038,817</u></u>

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

Note: Overlapping governments are those that coincide, at least 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 of the Village. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses 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 ALGONQUIN, ILLINOIS

LEGAL DEBT MARGIN

April 30, 2018

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 approval 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 in aggregate of one per cent:....indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or 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 ALGONQUIN, ILLINOIS

**PLEDGED-REVENUE COVERAGE
WATER REVENUE BONDS**

Last Ten Fiscal Years

Fiscal Year	Water Charges and Other	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2009	\$ 9,286,350	\$ 4,645,700	\$ 4,640,650	\$ 225,000	\$ 8,550	\$ 19.87
2010	7,572,436	5,073,600	2,498,836	-	-	-
2011	7,675,678	4,632,384	3,043,294	-	-	-
2012	7,850,815	4,650,933	3,199,882	-	-	-
2013	9,569,375	4,892,015	4,677,360	-	-	-
2014	7,602,692	4,684,650	2,918,042	-	-	-
2015	6,564,000	5,897,172	666,828	-	-	-
2016	7,014,131	5,798,490	1,215,641	-	-	-
2017	7,158,562	5,236,555	1,922,007	-	-	-
2018	8,715,068	3,312,975	5,402,093	-	-	-

Note: Details of the Village's outstanding debt can be found in the notes to financial statements. Water Charges and Other include investment earnings but excludes sale of property and grants. Operating expenses do not include debt service, depreciation, or reserve requirements.

Data Source

Audited financial statements

VILLAGE OF ALGONQUIN, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population		Equalized Assessed Value (EAV)	Per Capita EAV	Unemployment Rate
2009	30,482	**	\$ 1,115,890,792	\$ 36,608	8.60%
2010	30,046	*	1,155,073,386	38,443	8.60%
2011	30,046	**	1,157,591,396	38,527	8.00%
2012	30,046	**	1,077,620,673	35,866	8.60%
2013	30,046	**	981,280,749	32,659	8.10%
2014	30,046	**	887,200,696	29,528	5.20%
2015	30,046	**	805,011,458	26,793	4.90%
2016	30,046	**	777,811,422	25,887	5.47%
2017	30,046	**	800,571,395	26,645	4.70%
2018	30,046	**	852,365,740	28,369	N/A

*Actual

**Estimate

N/A - information not available

Note: Personal income data not available

Data Source

Illinois Department of Employment Security

VILLAGE OF ALGONQUIN, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2018			2009		
	Rank	No. of Employees	Percent of Total Village Population	Rank	No. of Employees	Percent of Total Village Population
School District Number 300*	1	404	1.34%	1	404	1.34%
Jewel Osco	2	340	1.13%	-	-	0.00%
Walmart	3	280	0.93%	-	-	0.00%
Meijer	4	213	0.71%	-	-	0.00%
Life Time Fitness	5	177	0.59%	-	-	0.00%
Kenmode Tool and Engineering, Inc.	6	150	0.50%	3	160	0.53%
Home Depot	6	150	0.50%	-	-	0.00%
Super Target	6	150	0.50%	-	-	0.00%
Village of Algonquin	7	137	0.46%	2	168	0.56%
Young Innovations, Inc.	8	100	0.33%	-	-	0.00%
PEP Wauconda LLC (formerly Wauconda Tool and Engineering)	9	76	0.25%	4	135	0.45%
Clarendale of Algonquin	10	70	0.23%	-	-	0.00%
Meyer Material Co.	-	-	0.00%	5	100	0.33%
Duro-Life Corp	-	-	0.00%	6	80	0.27%
Algonquin State Bank	-	-	0.00%	7	50	0.17%
Coldwell Banker Primus	-	-	0.00%	7	50	0.17%
Schiffmayer Plastic Corp.	-	-	0.00%	7	50	0.17%
Target Manufacturing Inc.	-	-	0.00%	7	50	0.17%
Burnex Corp.	-	-	0.00%	8	30	0.10%
Hanson Material Service Corp.	-	-	0.00%	8	30	0.10%
SubCon Mfg. Corp.	-	-	0.00%	8	30	0.10%
Marshall Wolf Automation, Inc.	-	-	0.00%	9	28	0.09%
Universal Cleaning Services	-	-	0.00%	10	25	0.08%

* Only schools located in the Village

Data Sources

2017 Illinois Manufacturers Directory, 2017 Illinois Services Directory, Speer Financial, the Village and a selective telephone survey

VILLAGE OF ALGONQUIN, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
GENERAL GOVERNMENT										
Administration	22	20	19	19	20	19	19	18	19	17
Community development	12	12	12	12	12	12	12	12	11	8
PUBLIC SAFETY										
Police										
Officers	50	49	49	49	48	46	46	44	46	44
Civilians	11	11	11	11	11	11	10	8	9	8
PUBLIC WORKS										
Public works administration	8	7	6	6	6	6	4	4	4	4
Public works general services	33	33	30	29	30	29	25	26	25	23
Internal services	9	9	9	9	9	8	9	8	9	9
WATER										
Water and sewer	22	22	19	20	20	21	23	21	20	20
POOL										
	4	5	5	4	3	4	4	4	4	4
TOTAL	171	168	160	159	159	156	152	145	147	137

Prior to FYE 2009 valuing pool employees full-time equivalence considered immaterial because most employees are part-time and all employees are seasonal for no more than three months. The Village changed the methodology for the valuation of full-time employees beginning with the April 30, 2009 financial statements due to a changing workforce. Employees in the building maintenance and vehicle maintenance were combined and reported in internal services beginning with the April 30, 2011 financial statement. Employees in the public works streets and park departments were combined and reported in public works general services with the April 30, 2016 financial statement.

Data Source

Village Finance Department

VILLAGE OF ALGONQUIN, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
GENERAL GOVERNMENT										
Community Development										
Building permits issued	3,366	2,092	1,854	2,170	2,354	2,467	4,107	3,122	3,050	2,864
Building inspections conducted	5,720	4,036	2,756	4,096	4,023	4,562	8,589	6,229	6,239	5,611
Property maintenance inspections conducted	3,810	3,483	3,552	4,330	4,605	3,982	4,292	4,737	4,105	3,169
PUBLIC SAFETY										
Police										
Physical arrests	939	777	660	724	555	511	488	520	640	460
Parking violations	992	711	1,375	1,271	1,302	1,287	1,040	839	879	932
Traffic violations	6,611	4,524	4,311	4,818	3,708	3,305	2,233	4,937	6,359	2,326
PUBLIC WORKS										
Streets										
Street resurfacing (miles)	0.95	2.50	2.77	1.76	2.00	4.90	5.10	-	4.80	4.80
Parks and Recreation										
Park sites	22	22	22	22	22	22	22	22	22	22
Developed park acreage	155	155	155	155	155	155	155	155	155	155
Open space	512	512	512	512	512	512	512	512	512	512
Water										
New connections (tap-ons)	20	5	5	-	13	7	22	2	38	28
Average daily consumption*	3,000	2,760	2,590	2,679	2,864	2,682	2,725	2,478	2,401	2,535
Peak daily consumption*	4,200	4,671	3,924	3,382	5,151	4,253	3,231	4,097	3,200	2,893
Wastewater										
Average daily sewage treatment **	3.5	3.1	3.0	2.9	2.8	3.0	2.9	3.1	3.3	3.5

*thousands of gallons

**millions of gallons

Data Source

Various Village departments

VILLAGE OF ALGONQUIN, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Geographic patrol areas	6	6	6	6	6	6	6	6	6	6
PUBLIC WORKS										
Street										
Streets (miles)	249	249	286	286	267	256	256	256	130	130
Streetlights	228	228	228	228	189	189	211	211	319	319
Parks and Recreation										
Acreage	667	667	667	667	667	667	667	667	667	667
Playgrounds	18	18	18	18	18	18	18	18	18	18
Sites with baseball diamonds	9	9	9	9	9	9	9	9	9	9
Sites with soccer fields	11	11	11	11	11	11	11	11	11	11
Sites with basketball courts	14	14	14	14	14	14	14	14	14	14
Sites with tennis courts	5	5	5	5	5	5	5	5	5	5
Water										
Water mains (miles)	159	159	170	165	165	165	168	168	168	168
Fire hydrants	2,049	2,153	2,176	2,208	2,213	2,213	2,214	2,224	2,276	2,264
Storage capacity *	3.390	3.390	3.390	3.390	3.390	3.390	3.390	3.390	3.390	3.390
Wastewater										
Sanitary sewers (miles)	134	136	140	138	135	137	144	145	144	139
Treatment capacity *	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000

*thousands of gallons

Data Source

Various Village departments