

# City of Berwyn, Illinois



**A Century of Progress with Pride**

Comprehensive Annual Financial Report

For the Year Ended December 31, 2013

**CITY OF BERWYN, ILLINOIS**  
**COMPREHENSIVE ANNUAL**  
**FINANCIAL REPORT**  
For the Fiscal Year Ended December 31, 2013

Prepared by: Finance Department

CITY OF BERWYN, ILLINOIS  
 Berwyn, Illinois  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 December 31, 2013

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## **INTRODUCTORY SECTION**



**A Century of Progress with Pride**

6700 West 26<sup>th</sup> Street Berwyn, Illinois 60402-0701 Telephone: (708) 788-2660 (708) 788-0273  
www.berwyn-il.gov

June 2, 2014

To the City Council and Citizens of the  
City of Berwyn, Illinois:

State law requires that every general-purpose local government publish within six months (June 30, 2014) of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2013.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Sikich LLP has issued an unmodified (“clean”) opinion on the City of Berwyn’s financial statements for the year ended December 31, 2013. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

**Profile of the City**

The City of Berwyn was incorporated as a City on June 6, 1908 with approximately 5,000 residents. Berwyn is now home to approximately 56,600 residents. Berwyn is bordered by Roosevelt Road on the North, Harlem Avenue on the West, Lombard Avenue on the East and Pershing Road on the South. These boundaries encompass only 3.9 square miles.

Berwyn is a home rule community which operates under a Strong Mayor form of government, according to Illinois Municipal Code 65 ILCS 5/. This form of government has an elected Mayor, Clerk, Treasurer, and Alderman elected from wards. The Berwyn City Council consists of eight aldermen. The terms of elected officials are four years. The Mayor is given the power to appoint, with the advice and consent of the City Council, his administrative assistants, budget and finance director, heads of all departments, all other officers of the municipality, and members of commissions, boards and agencies, except those covered by civil service. The powers of the council are legislative.



The City provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructure, compliance inspections, water and sewer service, garbage removal, commuter parking, and recreational and cultural activities. The City is also financially accountable for the Berwyn Development Corporation (BDC). While legally separate, it is considered a component unit of the City. The BDC is a discretely presented component unit with a separate column on the Statement of Net Position and the Statement of Activities. Additional information on this entity can be found in the notes to financial statements (See Note 1).

The Council is required to adopt a final budget by March 31 of each year. This annual budget provides the spending authority for the operations of the City. The budget is prepared by fund and department. Transfers between line items within a department may be made by department heads. However, transfers between departments or funds require approval from the City Council.

### **Local Economy**

Berwyn is predominantly a residential community and, therefore, does not have a particularly large industrial base. The largest employer in the City is MacNeal Memorial Hospital.

With a relatively large number of single family homes, the much publicized housing downturn had a significant impact on the City. In particular, the real estate transfer tax which accounted for over \$3.25 million of general fund revenue in 2005 and \$2.9 million in 2006, has continued to remain below peak levels in 2013 with an amount received of \$1.38 million. However, the increase in real estate transfer tax revenue from 2012 to 2013 was 32% which is reason for optimism that this revenue stream is slowly climbing back.

In 2009, the City, like most municipalities in the state and nation, was negatively impacted by the economic recession. The City turned the corner in 2012 with respect to revenues and that positive growth continued in 2013. For example, sales tax revenues increased 5% from 2012. Additionally, income tax revenue increased by 9% over 2012 and was nearly \$540k over budget. As those revenues appear to have experienced growth, municipal utility tax experienced a 1% growth.

The City benefitted from a 2012 increase in municipal gasoline taxes in which per gallon taxes were raised from \$0.01 to \$0.03. The increase in gasoline taxes led to a 14% increase in revenues over the prior year. In addition to the increase in gasoline tax revenue in 2012, the City also began to benefit from video gaming taxes. Video gaming taxes yielded \$135k in its first full year of revenues received in the general fund.

### **Long-term Financial Planning**

In spite of a difficult economy, the City has continued to focus on its long term goal of reducing the City's reliance on property tax revenues by enhancing our retail tax base. To accomplish this, the City is working through our component unit, the BDC, to assemble properties in our TIF districts for new developments. This is especially evident for land held for resale related to

the now closed Cermak TIF during 2013 as the bank building on the corner of Cermak Road and Oak Park Avenue and surrounding property will be turned into a viable commercial property to be open for business in the summer of 2014.

The City has also continued its plan to restructure long-term debt. Due to excellent fiscal management, while other municipalities were being downgraded, the City was upgraded to an A rating. The increase in rating has improved the interest rates that the City has been able to obtain. Our long-term debt restructuring plan has continued to succeed as intended. In fact, debt service as a percentage of noncapital expenditures was under 10% in 2013 compared to 15% in 2012. This has reduced the proportion of property tax revenues necessary to meet current debt service requirements thereby freeing up these revenues for use in the general fund. It has been the intent of the City to use these revenues to rebuild a fund balance in the general fund. While the national and regional economic woes of prior years have made this more difficult than expected, the City has succeeded in increasing its fund balance by \$3.3 million in 2013 in the general fund. Since 2008, the fund balance in the general fund has increased by \$9.95 million. Our long term goal is to continue strengthening our financial position as further discussed below.

### **Relevant Financial Policies**

In 2011, City Council passed a revised fund balance policy requiring that the general and library funds maintain an unassigned fund balance of 16% of the following year's budget, the motor fuel tax fund maintain an unassigned fund balance of 15% of the following year's expected capital projects budget, and the water and sewer fund maintain unassigned equity of 10% of the following year's budget. The policy further requires that should any other fund have a deficit fund balance, a plan will be determined to eliminate the deficit.

The general fund is currently in compliance with the policy. The City built upon the progress achieved in 2011 and 2012 by increasing unassigned fund balance by \$3.1 million to finish the year at \$9.1 million. A number of revenue enhancements enacted in 2013 combined with a continuation of the debt restructuring plan previously discussed and continued efforts to reduce costs all contributed to the progress made in building a fund balance in spite of the slow recovering economy.

The internal service fund (which accounts for the City's liability, worker's compensation and other insurance costs) also has had a deficit net position balance since the end of 2004. The City made it a goal to eliminate the deficit during the year and was able to fund the internal service fund to a level that maintained a surplus by December 31, 2013, of a positive \$1.1 million. This was achieved as the City continued to improve claims management so as to reduce costs and increase funding. The City's policy is to fund the internal service fund based on charges to other funds and departments of 115% of the prior year's claim expenses. This policy was put in place several years ago with the intent of reducing the deficit over time. During 2013, actual charges to other funds and departments were increased by \$1.4 million in accordance with the policy.

## Major Initiatives

The focus of the City remains staunchly proactive in achieving structural balance of its finances. The Administration and City Council understand that through sound budgeting and industry leading accounting principles, a generational legacy of financial negligence can be righted. To accomplish this essential goal, the City has undertaken the following financial initiatives:

- **Increase Fund Balance:** In 2013, Berwyn finally met its funding policy's goal of achieving a minimum fund balance equal to 16% of the prior year's operating expenditures. Through a strong and stable fund balance, the City has finally begun to insulate itself from financial emergencies. Whether it is a natural disaster or delayed receipt of tax funds, the City is in a position to continuously serve the needs of its residents.
- **Structural Balance:** During a time period from 2004 through 2008, Berwyn's general fund experience a drop in fund balance in the amount of \$8.3 million, virtually eliminating any reserves in the City's main operating fund. Today, through conservative budgeting, frugal management and strict financial oversight, the fund balance in the general fund is over \$10.0 million. Through a detailed analysis of every revenue and expenditure line item, the City is committed to full, long-term structural balance while continuing to offer residents the high level of municipal services that they have come to expect.
- **Pensions:** Recognizing that unfunded pension liability was an imminent threat to the City's financial fortitude, the administration initiated a plan that will fully fund the City's Police and Fire Pension Funds by 2023. The City intends to accomplish this by accessing the municipal capital markets on a bi-annual basis to make contributions to the funds. Through the adoption of this pension funding plan, the City will be able to 1) fund the pensions in compliance with State law 2) avoid a large tax hike that would negatively impact taxpayers.

Along with its commitment to correcting the City's finances, the administration continues to support economic development ventures. Through the guidance of the BDC, the City manages three mature TIF districts and one new one.

Notable projects for 2014 include the grand opening of Frank Thomas's Big Hurt Brew House. The Brew House will occupy the long vacant bank building located at the corner of Oak Park Avenue and Cermak Road. Additionally, a Home Run Inn Pizza is also planned as a part of the development. It is anticipated that this new business will attract customers from all over the Chicagoland area and will help to continue the revitalization of Berwyn's largest concentrated commercial corridor.

Additionally on Cermak Road, the City intends to initiate construction on Phase II of the Berwyn Gateway Plaza project which will build on the successful development that currently houses Buffalo Wild Wings, Five Guys, Chipotle, Vitamin Shop and Verizon. Across the street

in Cermak Plaza, Long Horn Steak House has submitted plans to open a new location which will offer even more dining options for the region.


### **Awards and Acknowledgements**


The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Berwyn for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2012. In order to receive this prestigious award, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one-year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire finance department staff. We wish to express our appreciation to all members of the department for their assistance. We also want to express appreciation to the Mayor and City Council for their support and encouragement in maintaining the highest standards of professionalism in the financial operations of the City.

Respectfully submitted,

  
Brian Pabst  
City Administrator

  
David Jelonek  
Finance Director



Government Finance Officers Association

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

Presented to

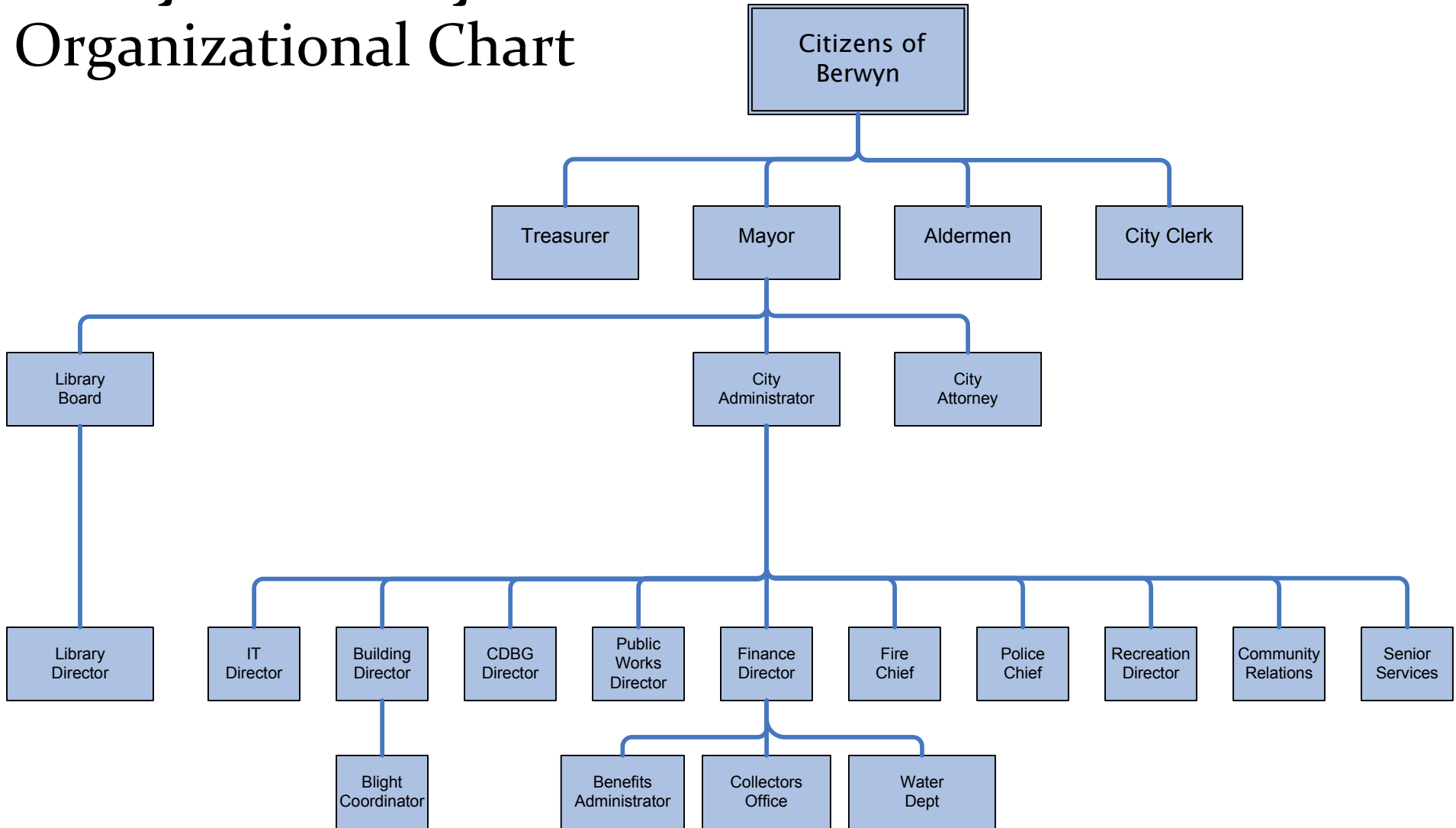
**City of Berwyn  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO

# City of Berwyn Organizational Chart



**City of Berwyn  
List of Elected and Appointed Officials  
December 31, 2013**

**Elected Officials**

Robert J. Lovero	Mayor
Joseph Kroc	Treasurer
Thomas Pavlik	Clerk
Nona Chapman	Alderman, 1 <sup>st</sup> Ward
Jeffrey G. Boyajian	Alderman, 2 <sup>nd</sup> Ward
Margaret Paul	Alderman, 3 <sup>rd</sup> Ward
Robert W. Fejt	Alderman, 4 <sup>th</sup> Ward
Cesar A. Santoy	Alderman, 5 <sup>th</sup> Ward
Theodore J. Polashek	Alderman, 6 <sup>th</sup> Ward
Rafael "Ralph" Avila	Alderman, 7 <sup>th</sup> Ward
Nora Laureto	Aldermen, 8 <sup>th</sup> Ward

**Appointed Officials**

Anthony Bertuca	City Attorney
Tammy Clausen	Director, Library Services
Cynthia Montavon	Director, Community Development
James Frank	Director, Information Technology
Charles Lazzara	Director, Building Department
Anthony Martinucci	Director, Recreation Department
Denis O'Halloran	Fire Chief
Brian Pabst	City Administrator
James Ritz	Police Chief
Robert Schiller	Director, Public Works
David Jelonek	Director, Finance

**FINANCIAL SECTION**





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Certified Public Accountants & Advisors  
Members of American Institute of Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor  
Members of the City Council  
City of Berwyn, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the discretely presented component unit and the aggregate remaining fund information of the City of Berwyn, Illinois (the City) as of and for the year ended December 31, 2013 and the related notes to financial statements, which collectively comprise the City'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 the Berwyn Development Corporation of the City, which represents 100% of the assets, net position and revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amount included for the Berwyn Development Corporation of the City, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City'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 City'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.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated June 2, 2014 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

### **Opinions**

In our opinion, based on our audit and the report of the 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 City's financial statements as a whole. 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 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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.

A handwritten signature in black ink, appearing to read "Schickel", written in a cursive style.

Naperville, Illinois  
June 2, 2014

**GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS**



## A Century of Progress with Pride

6700 West 26<sup>th</sup> Street Berwyn, Illinois 60402-0701 Telephone: (708) 788-2660 Fax: (708) 788-0273  
www.berwyn-il.gov

### Management's Discussion and Analysis

As management of the City of Berwyn, we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City of Berwyn for the fiscal year ended December 31, 2013.

#### Financial Highlights

At the end of the current fiscal year, fund balance for the General Fund, the main operating fund of the City, was \$10,061,244, an increase of \$3,261,873, or 48% over the prior year balance. This is the result of the continuing long term effort to build fund balance in order to protect the City from future economic downturns or unexpected events.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$21,784,111, a decrease of \$1,320,244 in comparison with the prior year. Primarily due to the expiration of the Cermak TIF, the TIF funds decreased by over \$4.1 million which represents the spending/reduction of assets accumulated in prior years for major projects and is evidence of the City's focus on commercial development and spending on capital items which will benefit the City in future years.

In 2013, the City's total net position decreased by \$12,118,736. Two primary factors have contributed to this decrease. First, economic development costs paid for with TIF funds accumulated over prior periods have continued as the City focuses on developing its business districts and increasing its commercial tax base. Second, governmental and business-type assets are depreciated based upon annual usage of long-term assets such as infrastructure. Such expenditures are not funded by the City's current rate structure and therefore revenues do not offset this expense at the government-wide level.

The liabilities and deferred inflows of the City of Berwyn (primary government only) exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$8,738,564. The City has deficit unrestricted net position of \$16,109,753 at year end. A restatement of beginning fund balance in the NSP Fund of \$185,064 was necessary to record grant revenue in the appropriate accounting period. As a result, the beginning net position in the governmental activities also increased by \$185,064.

#### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Berwyn's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements** - The government-wide financial statements found on pages 28 and 29 are designed to provide readers with a broad overview of the City of Berwyn's finances, in a manner similar to a private sector business.

The Statement of Net Position presents information on all the City's assets, liabilities, and deferred inflows/outflows of resources with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator regarding the financial position of the City.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, economic development, culture and recreation, and health and sanitation. The business-type activities of the City include utilities and a municipal parking garage.

The government-wide financial statements include not only the City of Berwyn itself (known as the primary government), but also the legally separate Berwyn Development Corporation for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

**Fund financial statements** - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Berwyn maintains sixteen individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, and the Debt Service Fund which are considered to be major funds. Data from the other fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The City adopts an annual appropriations ordinance for its governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate compliance with this ordinance.

The basic governmental fund financial statements can be found on pages 30 and 32 of this report.

*Proprietary funds* - The City of Berwyn maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses two enterprise funds - one to account for its water, sewer, and garbage operations and another to account for the operations of its municipal parking garage. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of Berwyn uses an Internal Service Fund to account for its workers' compensation and general liability self-insurance pool. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The proprietary fund financial statements provide information for the Utilities Fund and the Parking Garage Fund which are considered to be major funds of the City, and the Internal Service Fund.

The basic proprietary fund financial statements can be found on pages 34 - 36 of this report.

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

The basic fiduciary fund financial statements can be found on pages 37 and 38 of this report.

**Notes to financial statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 39 - 77 of this report.

**Other information** - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budget and actual information for the General Fund and the City's progress in funding its obligation to provide pension and other post employment benefits to its employees. Required supplementary information can be found on pages 78 - 90 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 91 - 115 of this report.

## **Government-wide Financial Analysis**

### **Statement of Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The largest portion of the City of Berwyn's net position represents resources that are subject to external restrictions on how they may be used. Assets restricted for use in the City's four redevelopment areas make up the bulk of these assets, followed by assets restricted by the State of Illinois for the purpose of improving streets, and assets restricted for law enforcement purposes.

Net position of the City of Berwyn also includes its investment in capital assets (land, buildings, infrastructure and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The table below shows the comparison between 2013 and 2012 Statement of Net Position for both governmental and business-type activities:

**City of Berwyn Net Position**

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Current assets	\$ 60,640,533	\$ 61,417,980	\$ 8,276,060	\$ 7,830,272	\$ 68,916,593	\$ 69,248,252
Non-current assets	<u>72,843,829</u>	<u>55,730,432</u>	<u>34,396,986</u>	<u>36,657,351</u>	<u>107,240,815</u>	<u>92,387,783</u>
Total assets	133,484,362	117,148,412	42,673,046	44,487,623	176,157,408	161,636,035
Total deferred outflows of resources	<u>224,471</u>	<u>451,616</u>	<u>-</u>	<u>-</u>	<u>224,471</u>	<u>451,616</u>
Current liabilities	5,939,376	7,212,820	2,822,131	2,372,481	8,761,507	9,585,301
Long-term liabilities	<u>145,332,258</u>	<u>120,640,052</u>	<u>3,049,472</u>	<u>3,048,304</u>	<u>148,381,730</u>	<u>123,688,356</u>
Total liabilities	151,271,634	127,852,872	5,871,603	5,420,785	157,143,237	133,273,657
Total deferred inflows of resources	<u>27,977,206</u>	<u>25,433,822</u>	<u>-</u>	<u>-</u>	<u>27,977,206</u>	<u>25,433,822</u>
Invested in capital assets net of related debt	(34,842,103)	(29,717,373)	32,073,557	35,878,284	(2,768,546)	6,160,911
Restricted	10,139,735	13,216,304	-	-	10,139,735	13,216,304
Unrestricted	<u>(20,837,639)</u>	<u>(19,185,597)</u>	<u>4,727,886</u>	<u>3,188,554</u>	<u>(16,109,753)</u>	<u>(15,997,043)</u>
Total net position	<u>\$ (45,540,007)</u>	<u>\$ (35,686,666)</u>	<u>\$ 36,801,443</u>	<u>\$ 39,066,838</u>	<u>\$ (8,738,564)</u>	<u>\$ 3,380,172</u>

**Significant Changes in the City's Statement of Net Position:**

**Governmental activities**

The City's governmental activities noncurrent assets increased in 2013 by approximately \$17.1 million. The most significant change was a \$19.3 million increase in the net pension asset. The City issued bonds to fund outstanding pension liabilities, the amount of the bonds issued, exceeded the outstanding net pension obligation from the prior year, resulting in a net pension asset in 2013.

Current liabilities decreased \$1.3 million from 2012. This was mainly due to a decrease in accrued payroll of \$1.0 million as a result of the timing of last payroll of the fiscal year.

Long-term liabilities increased by about \$24.7 million. This was primarily the result of a net \$31.6 million of bonds issued and a \$7.0 million decrease in the net pension obligation.

The decrease in restricted net assets is primarily in funds restricted for economic development which dropped \$3.5 million as TIF resources were deployed on commercial development projects.

**Business-type activities**

The increase in current assets is mainly due to both decreases in cash but increases in accounts receivable over the prior year exceeding the amount due to other funds from the Utilities Fund. The decrease in noncurrent assets is a result of depreciation for the year. The increase in current liabilities is the result of higher unearned revenue balances than in the prior year.



## Statement of Activities

As noted earlier, the City's Statement of Activities provides a numerical analysis of the City's financial performance during the year. Revenues are broken down between program revenues and general revenues. The table below shows a comparison between the current and previous year operation results:

### City of Berwyn Changes in Net Position

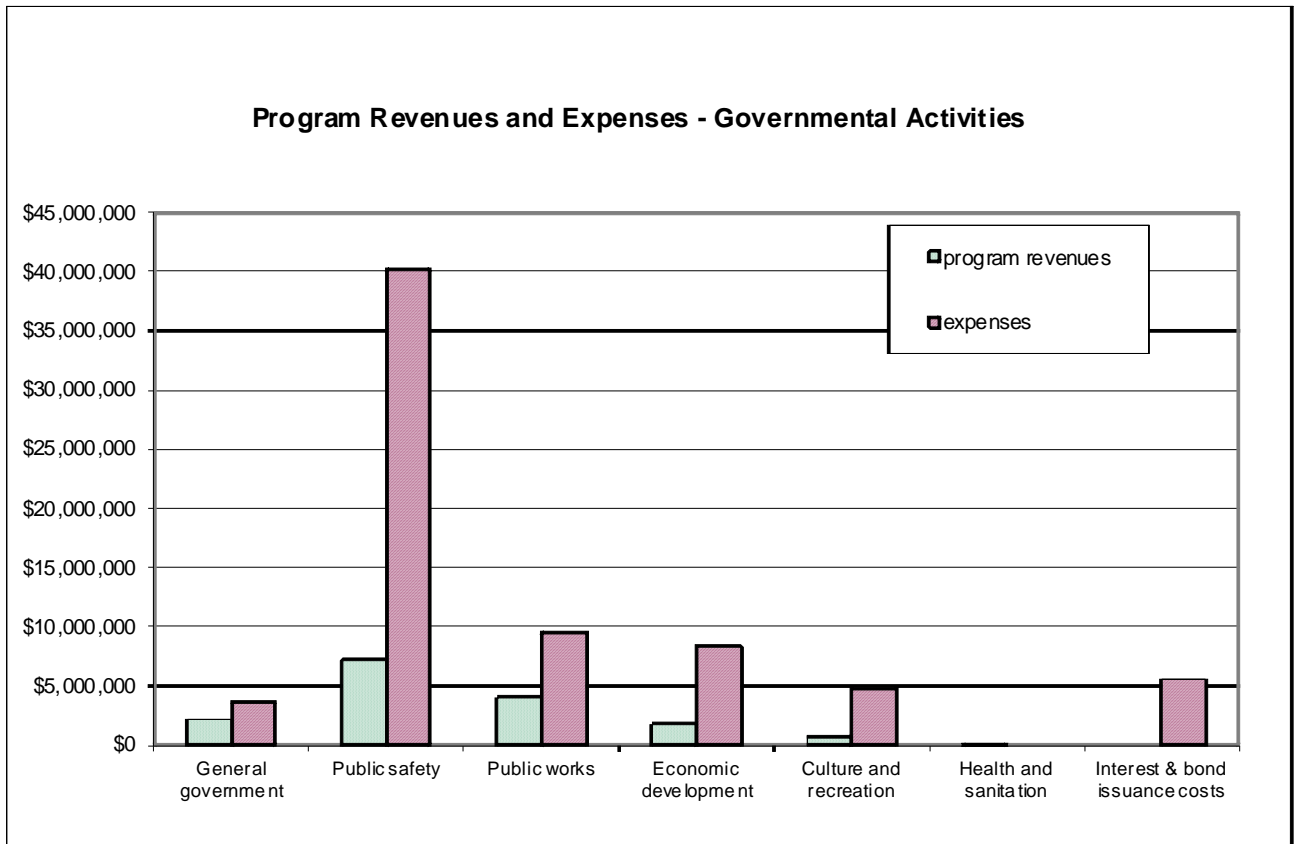
	Governmental activities		Business-type activities		Total	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Revenues:						
Program revenues:						
Charges for services	\$ 11,009,769	\$ 10,881,172	\$ 14,657,946	\$ 12,908,084	\$ 25,667,715	\$ 23,789,256
Operating grants & contributions	3,035,643	3,636,003	-	-	3,035,643	3,636,003
Capital grants & contributions	1,746,077	845,653	-	-	1,746,077	845,653
General revenues						
Property taxes	28,158,955	27,265,941	-	-	28,158,955	27,265,941
Other taxes	17,804,909	16,446,568	-	-	17,804,909	16,446,568
Other revenues	<u>645,950</u>	<u>316,261</u>	<u>7,257</u>	<u>5,867</u>	<u>653,207</u>	<u>322,128</u>
Total revenues	<u>62,401,303</u>	<u>59,391,598</u>	<u>14,665,203</u>	<u>12,913,951</u>	<u>77,066,506</u>	<u>72,305,549</u>
Expenses:						
General government	3,636,642	3,143,434	-	-	3,636,642	3,143,434
Public safety	40,266,230	37,717,578	-	-	40,266,230	37,717,578
Public works	9,503,285	7,127,063	-	-	9,503,285	7,127,063
Health and sanitation	-	-	-	-	-	-
Culture and recreation	4,853,831	4,786,867	-	-	4,853,831	4,786,867
Economic development	8,341,981	5,295,179	-	-	8,341,981	5,295,179
Interest on long-term debt	5,555,103	4,989,927	-	-	5,555,103	4,989,927
Utilities	-	-	16,767,182	16,557,127	16,767,182	16,557,127
Parking garage	-	-	260,988	273,185	260,988	273,185
Total expenses	<u>72,157,072</u>	<u>63,060,048</u>	<u>17,028,170</u>	<u>16,830,312</u>	<u>89,185,242</u>	<u>79,890,360</u>
Change in Net Assets Before Transfers	<u>(9,755,769)</u>	<u>(3,668,450)</u>	<u>(2,362,967)</u>	<u>(3,916,361)</u>	<u>(12,118,736)</u>	<u>(7,584,811)</u>
Transfers	<u>(97,572)</u>	<u>(400,866)</u>	<u>97,572</u>	<u>400,866</u>	<u>-</u>	<u>-</u>
Change in Net Assets	<u>(9,853,341)</u>	<u>(4,069,316)</u>	<u>(2,265,395)</u>	<u>(3,515,495)</u>	<u>(12,118,736)</u>	<u>(7,584,811)</u>
Net position Jan 1 (restated)	<u>(35,686,666)</u>	<u>(31,617,350)</u>	<u>39,066,838</u>	<u>42,582,333</u>	<u>3,380,172</u>	<u>10,964,983</u>
Net position Dec 31	<u>\$ (45,540,007)</u>	<u>\$ (35,686,666)</u>	<u>\$ 36,801,443</u>	<u>\$ 39,066,838</u>	<u>\$ (8,738,564)</u>	<u>\$ 3,380,172</u>

### Significant Changes in the Statement of Activities

#### Government activities

A restatement of beginning fund balance in the Neighborhood Stabilization Program (NSP) Fund of \$185,064 was necessary to record grant revenue in the appropriate accounting period. As a result, the beginning net position in the governmental activities also increased by \$185,064. The City's governmental activities net position decreased about \$9.9 million compared to a \$4.1 decrease in the prior year. Specific line item increases and decreases are discussed below.

The graph below shows the governmental activities revenues and expenses by function. Any deficit of revenues less expenses is then funded through general revenues, primarily taxes.



## Government activities - Revenues

The table below shows the change in revenues from 2013 to 2012:

	Governmental activities			
	<u>2013</u>	<u>2012</u>	<u>Change</u>	<u>% Chg</u>
Revenues:				
Program revenues:				
Charges for services	\$ 11,009,769	\$ 10,881,172	\$ 128,597	1%
Operating grants & contributions	3,035,643	3,636,003	(600,360)	-17%
Capital grants & contributions	1,746,077	845,653	900,424	106%
General revenues				
Property taxes	28,158,955	27,265,941	893,014	3%
Other taxes	17,804,909	16,446,568	1,358,341	8%
Other revenues	645,950	316,261	329,689	104%
Total revenues	<u>\$ 62,401,303</u>	<u>\$ 59,391,598</u>	<u>\$ 3,009,705</u>	<u>5%</u>

### Significant changes:

In 2013, operating grants and contributions decreased by approximately \$600,000. The cause of this decrease was caused by the City receiving Community Development Block Grant revenue of only \$479,000 in 2013 compared to \$1.15 million in 2012. As a result of a federal audit, a large portion the CDBG was grant was reallocated to 2014. As such, this revenue is expected to increase in next fiscal year.

Capital grants and contributions increased \$1.0 million in 2013. The increase relates mainly to the NSP which began in 2010. In 2010, the City acquired \$2.5 million of foreclosed properties through a federal grant. In 2011 and 2012, the City only received \$300,000 in NSP funds, but received \$1.3 million in 2013. The City is near the completion of the remodeling phase of the program and in 2013 the City began to sell some of the properties at below market prices to qualified buyers in accordance with the purpose of the grant.

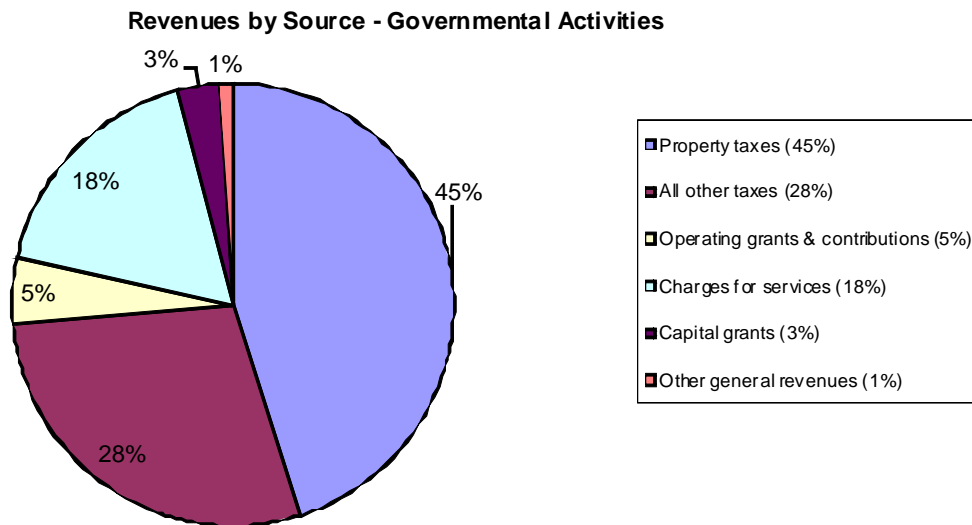
The City's property taxes revenues increased in 2013 by \$890,000.

After an increase of \$932,000 in other taxes in 2012, other taxes have increased again in 2013 by \$1.4 million. A portion of this increase was due to an increase in sales tax revenues of \$223,000 as the City begins to see the impact of commercial development that has taken place during the past few years. Additionally, increases in income tax revenues of \$525,000 and real estate transfer taxes of \$332,000 were a result of improving economic conditions.

Other revenues increased by \$330,000 in 2013. The most notable increases during 2013 were increases of \$69,000 in reimbursement revenue and \$30,000 in cell tower rental revenue.

**Composition of Revenues:**

The graph below shows the full composition of governmental activities revenues.



The City's governmental activities are supported mainly by property taxes, followed by all other taxes. These percentages shifted slightly from 2012 when property taxes accounted for 46%, all other taxes capital grants were 1%, and operating grants were 6%.

**Governmental activities - Expenses**

The table below shows the change in expenses from 2013 to 2012:

**Changes in Governmental Activities Expenses**

	Governmental activities		Change	% Chg
	<u>2013</u>	<u>2012</u>		
Expenses:				
General government	\$ 3,636,642	\$ 3,143,434	\$ 493,208	16%
Public safety	40,266,230	37,717,578	2,548,652	7%
Public works	9,503,285	7,127,063	2,376,222	33%
Economic development	8,341,981	5,295,179	3,046,802	58%
Culture and recreation	4,853,831	4,786,867	66,964	1%
Health and sanitation	-	-	-	0%
Interest on long-term debt	<u>5,555,103</u>	<u>4,989,927</u>	<u>565,176</u>	<u>11%</u>
Total expenses	<u>\$ 72,157,072</u>	<u>\$ 63,060,048</u>	<u>\$ 9,097,024</u>	<u>14%</u>

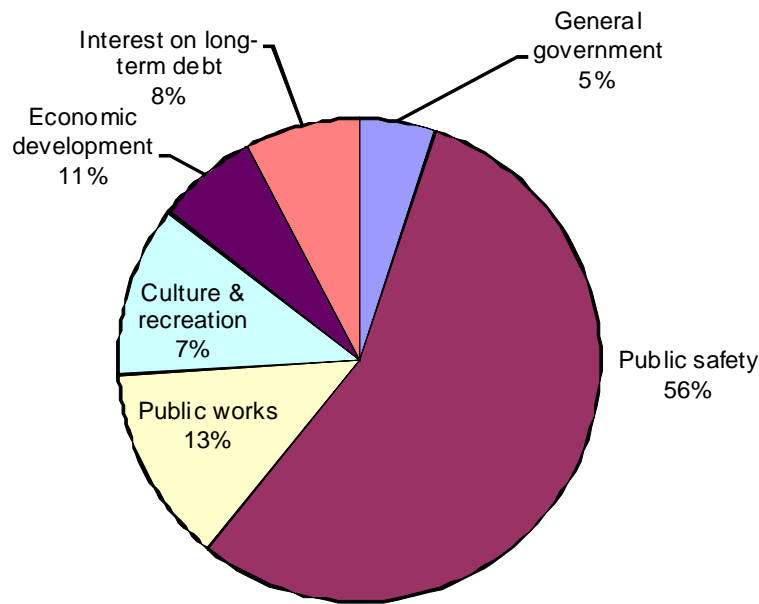
**Significant changes:**

Overall, expenses increased by 14% or \$9.1 million with much of the increase related to economic development. Economic development expenses increased from 2012 by 57% as a result of the development activity taking place in the TIF districts. Expenses in Cermak TIF were up \$2.4 million from last year. In the case of the Cermak TIF, the sale of property located at 6801 west Cermak to the developer was the most significant expense.

**Composition of expenses:**

As in the prior year, the City's largest area of expense continues to be public safety, accounting for 56% of governmental expenses. The expense composition changed from 2012 when public safety accounted for 60%, public works accounted for 11%, culture and recreation accounted for 8%, and economic development accounted for 13% of total City expenses. Again the change in percentages was primarily affected by the large increase in economic development as a major development project was initiated in 2013.

**Governmental Activities - Expense Composition**



## Business-type activities

	Business-type activities			
	<u>2013</u>	<u>2012</u>	<u>Change</u>	<u>% Chg</u>
Revenues:				
Program revenues:				
Charges for services	<u>\$ 14,657,946</u>	<u>\$ 12,908,084</u>	<u>\$ 1,749,862</u>	<u>14%</u>
Expenses:				
Utilities	<u>\$ 16,767,182</u>	<u>\$ 16,557,127</u>	<u>\$ 210,055</u>	<u>1%</u>
Parking garage	<u>260,988</u>	<u>273,185</u>	<u>(12,197)</u>	<u>-4%</u>
Total Expenses	<u>\$ 17,028,170</u>	<u>\$ 16,830,312</u>	<u>\$ 197,858</u>	<u>1%</u>

### Significant changes:

Business-type activities represent the City's water, sewer, and garbage utilities and the parking garage. The utility's primary source of revenue is user fees for water and sewer usage and garbage fees. The rates are designed to recover substantially all of the costs associated with providing water and sewer service, except for depreciation. However, increasing costs in recent years have made this goal difficult. While depreciation expense amounted to \$3.9 million, business-type activities decreased the City's net position by \$2.2 million before transfers.

Utility usage charges increased by \$1.3 million primarily due to higher user rates passed along to residents as the City of Chicago raised the sales price the City of Berwyn pays in order to supply water to the community. This accounted for the majority of the increase in charges for services in 2013.

Expenses within the water utility increased slightly in 2013 due to several factors. The most significant of these was water supply costs.

### Financial Analysis of the Governmental Funds

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

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

As of 2013, the only major funds for the City were the General and Debt Service Funds. All other governmental funds are recognized as nonmajor governmental funds.

## Significant changes - Fund balances

	Fund		
	General Fund	Debt Service	Nonmajor Governmental Funds
Revenues	\$ 49,696,781	\$ 2,045,238	\$ 10,499,546
Expenditures	76,976,509	8,891,094	14,339,884
Other Financing Sources (Uses) net	<u>30,541,601</u>	<u>6,966,401</u>	<u>(862,324)</u>
Net change in fund balance	3,261,873	120,545	(4,702,662)
Fund balance, beginning (as restated)	<u>6,799,371</u>	<u>521,329</u>	<u>15,783,655</u>
Fund balance, ending	<u>\$ 10,061,244</u>	<u>\$ 641,874</u>	<u>\$ 11,080,993</u>

General Fund revenues increased by \$2.0 million or 4% from 2012 to 2013. The largest increase was in income taxes which went up \$525,000. Property taxes increased by \$499,000 and state sales tax revenues increased \$140,000. Real estate transfer tax revenues increased \$332,000 and licenses and permits increased \$259,000.

General Fund expenditures increased \$30.3 million or 65% from the prior year and the main reason for the increase was the issuance of public safety pension bonds in the amount \$30.3 million that are recorded as expenditure at the fund level. This represented the majority of the increase in expenditures from prior year. A corresponding increase is noted in the general fund's other financing use total as a result of the public safety pensions bond issuance.

After an increase of \$2.3 million in 2012, general fund ending fund balance increased by \$3.3 million in 2013. In 2013, the City continued its refunding plan by refunding a number of debt service fund debt payments due in 2013. The plan was implemented in prior years and allowed for taxes that were levied in the debt service fund in prior years to now be levied for in the general fund. The shift of property taxes combined with the increase in revenues resulted in a surplus in the fund of \$3.3 million. This is part of a multi-year plan to build reserves to reduce the City's vulnerability to economic downturns and unexpected events.

Revenues in the Debt Service Fund increased from 2012 by \$80,000. Principal expenditures increased by \$630,000 compared to 2012 while interest expenditures increased by only \$117,000. In 2013, the City continued its refunding plan by refunding a number of debt payments due in 2013. As such, the increase in other financing sources approximated the increase in expenditures. Fund balance in the Debt Service Fund increased by about \$121,000 to \$642,000.

With the classifications of major and nonmajor funds not changing from 2012, the comparison between years features like funds. Expenditures increased by about \$1.2 million and revenues increased \$830,000. The fund balance in the nonmajor funds decreased by approximately \$4.7 million, primarily due to the economic development in the City's TIF causing the following decreases in fund balance in the Cermak TIF of \$3.3 million, the Roosevelt Road TIF of \$558,000, and the Ogden Avenue TIF of \$302,000. Fund balance in the NSP fund decreased by approximately \$664,000, as the City is in the process of selling the land held for resale at less than market value, as discussed previously.

## Financial Analysis of the Proprietary Funds

*Proprietary funds* - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Utilities Fund at the end of the current fiscal year amounted to \$4,727,886. The decrease in total net position of \$2.3 million was a result of operating activities which generated a loss of \$2.2 million and interest expense of approximately \$119,000. Other factors concerning the finances of this fund have already been addressed in the discussion of the City's business-type activities.

Revenues of the Parking Garage Fund which include collections from meters located in the garage and an allocation of fees for parking permits amounted to approximately \$212,000. Expenses excluding depreciation amounted to about \$28,000. After depreciation of about \$261,000, the fund lost almost \$49,000 for the year. Net position at year end was \$10.1 million.

The City's Internal Service Fund mainly represents costs for the City's workers' compensation and general liability insurances. Revenues within this fund are from charges to other funds of the City. Expenses are in the form of claim payments, third party claim processing fees, insurance costs and liability reserve funding. During 2013, the fund's expenses increased from \$1.2 million to \$2.0 million, or 63%. The increase during the year was a result of an increased number of claims and the claims that were paid were more severe than the prior year. The majority of revenue is from charges to other funds and departments based on 115% of the prior year's expenses. Therefore, the decrease in 2013 revenues can be attributed to the decrease in claims expenses in 2012 that needed to be funded. Net position decreased during 2013 resulting in a balance on December 31, 2013 of \$1.1 million.

### **General Fund Budgetary Highlights**

The City's ordinances require it to periodically review and amend the budget on an annual basis. As part of this review and during preparation for the subsequent year's budget, each department's budget to actual reports are analyzed to determine whether an amendment may be necessary during the year.

The City amended the General Fund budget once during 2013. The primary purpose for the amendment was to reallocate budget dollars across departments and increase funding sources and related expenditures, where necessary. This is an annual practice and the primary increase in the general fund budgeted expenditures over revenues were the result of the issuance public safety pension bonds that were not budgeted for at the beginning of the year.

The table on the following page summarizes the City's final budget compared to actual results for the current year.



	General Fund			
	Final Budget	Actual	Variance	% Var.
<b>Revenues</b>				
Property taxes	\$ 20,481,906	\$ 20,548,629	\$ 66,723	0%
Other taxes	16,656,000	17,434,105	778,105	5%
Licenses and permits	2,902,400	3,143,853	241,453	8%
Charges for services	1,423,250	1,743,419	320,169	22%
Fines and forfeitures	5,015,000	5,351,665	336,665	7%
Intergovernmental	102,000	106,709	4,709	5%
Investment income	25,075	46,315	21,240	85%
Miscellaneous	909,550	1,322,086	412,536	45%
<b>Total Revenues</b>	<b>\$ 47,515,181</b>	<b>\$ 49,696,781</b>	<b>\$ 2,181,600</b>	<b>5%</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	\$ 3,459,274	\$ 3,638,505	\$ (179,231)	-5%
Public safety	66,110,644	65,675,879	434,765	1%
Public works	5,805,152	5,452,533	352,619	6%
Economic development	249,847	235,505	14,342	6%
Culture and recreation	1,840,817	1,671,259	169,558	9%
Debt Service	350,000	302,828	47,172	13%
<b>Total expenditures</b>	<b>\$ 77,815,734</b>	<b>\$ 76,976,509</b>	<b>\$ 839,225</b>	<b>1%</b>

### Significant changes from budget

#### Revenues

Total revenues exceeded budget during the 2013 fiscal year. Other taxes were 5% more than budgeted. The largest positive variances were in state income tax in the amount of \$540,000 over budget and real estate transfer taxes in the amount of \$430,000 over budget. In terms of negative variances, the home rule sales tax which was almost \$143,000 less than budgeted and state sales tax which was almost \$177,000 less than budgeted.

Licenses and permits were over budget mainly due to local improvement permits being almost \$148,000 over budget, municipal parking revenue being \$47,000 over budget, and vehicle stickers being \$47,000 over budget.

Charges for services were more than budget primarily due to paramedic service collections being \$297,000 higher than expected, and recreation children's programs being higher than expected by \$99,000.

Fines and forfeitures were over budget primarily due to revenues from red light photo enforcement of \$522,000 more than budgeted due to unexpected revenue growth.

Finally, miscellaneous revenues were over budget due, in part, to grant revenues that exceeded budget by \$150,000 and reimbursements to City departments exceeding budget by \$156,000.

## Expenditures

Overall, General Fund expenditures were \$839,000 or 1% under budget. The only negative variance was in the general governmental function as the city reduced the expected interdepartmental charge to the utility fund by \$411,733. This reduction was made in an effort to reduce the annual operating loss of the utility fund and was possible due to the significant in general fund balance during 2013.

## Capital Asset and Debt Administration

### Significant change - Capital assets

The table below summarizes the City's capital asset balances at year end for 2013 with comparative figures for 2012.

#### City of Berwyn Capital Assets (net of accumulated depreciation)

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 10,002,147	\$ 10,002,147	\$ 24,600	\$ 24,600	\$ 10,026,747	\$ 10,026,747
CIP	87,683	2,101,038	124,205	87,633	211,888	2,188,671
Buildings	11,159,507	11,207,430	9,874,706	10,107,973	21,034,213	21,315,403
Equipment	1,243,840	1,175,042	89,274	103,008	1,333,114	1,278,050
Land improvements	7,514,389	6,032,234	-	8,949	7,514,389	6,041,183
Vehicles	3,313,410	3,102,142	165,108	80,207	3,478,518	3,182,349
Infrastructure	20,188,786	22,110,399	24,119,093	26,244,981	44,307,879	48,355,380
Total	<u>\$ 53,509,762</u>	<u>\$ 55,730,432</u>	<u>\$ 34,396,986</u>	<u>\$ 36,657,351</u>	<u>\$ 87,906,748</u>	<u>\$ 92,387,783</u>

A number of governmental activities capital projects were completed in 2013. Accumulated costs of \$1.8 million were transferred from CIP to Land improvements for the Cermak TIF Street Lighting and Roosevelt TIF Streetscape Improvement projects. An additional \$378,000 of accumulated costs was transferred from CIP to Infrastructure for Ogden TIF Alley Replacements. The only construction in progress at year end related to the City's phone system upgrade in the amount of \$87,683.

At the end of 2012, construction in progress related to sewer replacements in the amount of \$124,205 in the business-type activities.

Some of the other larger governmental activities additions included the purchase of ten police vehicles (\$311,000), two ambulances (\$261,000), and a storage building (\$274,000). The larger purchases in the business-type activities were improvements related to sanitary and storm sewers (\$1.44 million), and two utility vehicles (\$109,000).

Sewer replacement costs of about \$98,000 were transferred to the Utility Fund from the governmental funds.

These increases in capital assets were offset by depreciation charges of \$3.7 million for governmental activities and \$3.9 million for business type activities.

Additional information on the City's capital assets can be found in Note 3.C. in the notes to financial statements of this report.

### Significant change - Long-term debt

The changes to the City's long-term obligations are summarized below.

	Governmental activities		Business-type activities		Total	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
General obligation bonds	\$ 131,540,282	\$ 99,469,861	\$ 2,946,153	\$ 2,946,288	\$ 134,486,435	\$ 102,416,149
Installment notes payable	737,012	930,963	-	-	737,012	930,963
Mortgage notes payable	2,359,842	2,596,551	-	-	2,359,842	2,596,551
Unamortized premiums	936,674	1,023,171	-	-	936,674	1,023,171
Capital Leases	439,123	367,195	-	-	439,123	367,195
Claims Payable	3,531,548	3,545,826	-	-	3,531,548	3,545,826
Net pension obligation	224,356	7,250,238	23,804	23,311	248,160	7,273,549
Net OPEB Obligation	921,506	1,052,856	-	-	921,506	1,052,856
IMRF early retirement liability	473,010	584,393	-	-	473,010	584,393
Compensated absences	4,168,905	3,818,998	79,515	78,704	4,248,420	3,897,702
<b>Total</b>	<b><u>\$ 145,332,258</u></b>	<b><u>\$ 120,640,052</u></b>	<b><u>\$ 3,049,472</u></b>	<b><u>\$ 3,048,303</u></b>	<b><u>\$ 148,381,730</u></b>	<b><u>\$ 123,688,355</u></b>

In the past, the City had historically issued its general obligation bonds with bond insurance. With the decline of the bond insurance market in 2008, the City obtained an underlying rating based on the credit of the City alone and was initially assigned an underlying rating of A- by Standard and Poor's Corporation. Since 2008, the City has monitored the cost of insuring bonds versus issuing them without insurance and based only on the credit rating of the City. While insured bond ratings had historically been AAA, the companies insuring the City's bonds have been downgraded to the AA category or have had their rating removed. At the same time, the City has been upgraded to an A rating with a stable outlook. The rating reflects the financial practices and results of the City's operations. The City's financial objective is to maintain the existing A rating.

During 2013, the City issued \$30,350,000 in General Obligation Bonds, 2013B. The City then transferred the total amount of the bond issuance, excluding issuance costs, to both the Fire and Police Pensions (\$15,000,000 each), as the purpose of the bond issuance was to fund a portion of the unfunded liabilities of both pension funds. This is part of a multi-year plan for the City to achieve at least 90% funding in the pension plans before 2040, as required by state statute. At the end of 2013, the unfunded liabilities of the Fire and Police pensions were \$44.3 million and \$41.8, respectively, compared to the 2012 unfunded liabilities of \$59.3 million in the Fire pension and \$53.5 million in the Police Pension. This funding also created a Net pension asset for both the Fire and Police Pensions, and eliminated the associated net pension obligations for those funds. As such, the total net pension obligation for the City decreased from \$7.3 million in 2012 to \$224,000 in 2013.

Additionally, in 2013 the City continued the restructuring of its outstanding general obligation debt which began in prior years. The City issued \$5,705,000 of General Obligation Bonds, Series 2013A. The total amount of the issue (excluding issuance costs) was used to refund the current maturities and interest payable on several bond issues. The effect of the refunding was to provide additional property taxes in the General Fund by abating taxes in the Debt Service Fund. These additional funds in the General Fund allowed the City to continue building a solid fund balance.

Further details of this refunding along with additional information on the City's long-term debt can be found in Note 3 in the notes to financial statements.

Other significant changes in total long term debt during 2013 include: 1) the decrease in installment notes payable of \$194,000; 2) the decrease in mortgage notes payable of almost \$237,000; 3) a decrease of \$131,000 in the actuarially determined net other post employment benefit (OPEB) obligation; 4) the decrease in IMRF early retirement liability of \$111,000 and 5) a net increase of about \$350,000 in compensated absences.

## **Economic Factors and Next Year's Budgets and Rates**

The City of Berwyn's triennial assessment was published in 2014 by the Cook County Assessor. An initial review of the reassessment appears to favor the City's four existing TIF districts. The additional increment will be used to assist business expansion, improve infrastructure and repay debt service. Contributing to the fiscal year 2015 tax base will be Frank Thomas's Big Hurt Brew House, Home Run Inn Pizza, two additional neighborhood grocery stores, and Currie Motor's new dealership.

Additionally, approximately \$4.5 million of property taxes related to principal and interest payments due on the City's general obligation bonds during 2014 have been abated in anticipation of a current bond refunding which is to take place in the fall of 2014. This expected bond issue has been budgeted for in the Debt Service Fund for 2014.

In 2015, the City will continue its plan to fully fund its police and fire pensions by making an additional \$15 million contribution to each of the funds. The City intends to alternate its funding years until the pensions are fully funded. This approach to pension funding allows the City to fulfill its commitments while allowing for the City to expand the timeline in which to comply with pension reform laws.

## **Requests for Information**

This financial report is designed to provide a general overview of the City of Berwyn's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Berwyn Finance Director, 6700 W. 26<sup>th</sup> Street, Berwyn, Illinois 60402.

CITY OF BERWYN, ILLINOIS  
STATEMENT OF NET POSITION  
December 31, 2013

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Berwyn Development Corporation
<b>ASSETS</b>				
Cash and investments	\$ 14,593,005	\$ 3,771,117	\$ 18,364,122	\$ 1,283,965
Restricted cash	697,501	622,724	1,320,225	162,386
Receivables, net of allowance where applicable				
Property tax	28,257,705	-	28,257,705	-
Sales tax	769,341	-	769,341	-
Home rule sales tax	591,351	-	591,351	-
Income tax	1,448,674	-	1,448,674	-
Personal property replacement tax	39,243	-	39,243	-
Utility tax	654,004	-	654,004	-
Accounts	1,973,400	5,408,524	7,381,924	23,651
Interest	4,997	1,229	6,226	-
Prepaid expenses	507,224	-	507,224	10,376
Due (to) from other funds	1,557,294	(1,557,294)	-	-
Due from other governments	244,588	-	244,588	-
Notes receivable	3,504,091	29,760	3,533,851	2,368,509
Land held for resale	5,798,115	-	5,798,115	-
Net pension asset	19,334,067	-	19,334,067	-
Capital assets, not being depreciated	10,089,830	148,805	10,238,635	-
Capital assets, being depreciated (net of accumulated depreciation)	<u>43,419,932</u>	<u>34,248,181</u>	<u>77,668,113</u>	<u>23,297</u>
Total Assets	<u>133,484,362</u>	<u>42,673,046</u>	<u>176,157,408</u>	<u>3,872,184</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charge on refunding	<u>224,471</u>	<u>-</u>	<u>224,471</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>224,471</u>	<u>-</u>	<u>224,471</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts payable	1,328,710	2,377,787	3,706,497	58,797
Accrued payroll	569,639	28,971	598,610	-
Accrued interest payable	676,330	9,965	686,295	-
Due to fiduciary funds	47,825	-	47,825	-
Unearned revenues	2,847,913	396,206	3,244,119	-
Security deposits	-	9,202	9,202	-
Other liabilities	468,959	-	468,959	162,386
Noncurrent liabilities				
Due within one year	6,029,432	25,874	6,055,306	980,714
Due in more than one year	<u>139,302,826</u>	<u>3,023,598</u>	<u>142,326,424</u>	<u>1,306,397</u>
Total Liabilities	<u>151,271,634</u>	<u>5,871,603</u>	<u>157,143,237</u>	<u>2,508,294</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	<u>27,977,206</u>	<u>-</u>	<u>27,977,206</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>27,977,206</u>	<u>-</u>	<u>27,977,206</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	(34,842,103)	32,073,557	(2,768,546)	23,297
Restricted for				
Public safety	1,854,562	-	1,854,562	-
Public works	716,826	-	716,826	-
Economic development	6,926,473	-	6,926,473	-
Debt service	641,874	-	641,874	-
Unrestricted (deficit)	<u>(20,837,639)</u>	<u>4,727,886</u>	<u>(16,109,753)</u>	<u>1,340,593</u>
<b>TOTAL NET POSITION/(DEFICIT)</b>	<u>\$ (45,540,007)</u>	<u>\$ 36,801,443</u>	<u>\$ (8,738,564)</u>	<u>\$ 1,363,890</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS  
STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2013

FUNCTIONS/PROGRAMS	Net (Expense) Revenue and Change in Net Assets							Component Unit Berwyn Development Corporation
	Expenses	Program Revenues			Primary Government			
		Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Business-Type Activities	Total	
<b>PRIMARY GOVERNMENT</b>								
Governmental Activities								
General government	\$ 3,636,642	\$ 2,182,551	\$ -	\$ -	\$ (1,454,091)	\$ -	\$ (1,454,091)	\$ -
Public safety	40,266,230	5,818,148	785,250	552,456	(33,110,376)	-	(33,110,376)	-
Public works	9,503,285	2,288,256	1,662,129	33,461	(5,519,439)	-	(5,519,439)	-
Economic development	8,341,981	-	479,040	1,160,160	(6,702,781)	-	(6,702,781)	-
Culture and recreation	4,853,831	635,075	109,224	-	(4,109,532)	-	(4,109,532)	-
Health and sanitation	-	85,739	-	-	85,739	-	85,739	-
Interest & debt insurance costs	5,555,103	-	-	-	(5,555,103)	-	(5,555,103)	-
Total Governmental Activities	<u>72,157,072</u>	<u>11,009,769</u>	<u>3,035,643</u>	<u>1,746,077</u>	<u>(56,365,583)</u>	<u>-</u>	<u>(56,365,583)</u>	<u>-</u>
Business-Type Activities								
Water and sewer	16,767,182	14,445,691	-	-	-	(2,321,491)	(2,321,491)	-
Parking Garage	260,988	212,255	-	-	-	(48,733)	(48,733)	-
Total Business-type Activities	<u>17,028,170</u>	<u>14,657,946</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,370,224)</u>	<u>(2,370,224)</u>	<u>-</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 89,185,242</u>	<u>\$ 25,667,715</u>	<u>\$ 3,035,643</u>	<u>\$ 1,746,077</u>	<u>(56,365,583)</u>	<u>(2,370,224)</u>	<u>(58,735,807)</u>	<u>-</u>
<b>COMPONENT UNIT</b>								
Berwyn Development Corporation	\$ 1,265,586	\$ 1,383,212	\$ -	\$ -	-	-	-	117,626
General Revenues								
Taxes								
Property					28,158,955	-	28,158,955	-
Sales					2,922,555	-	2,922,555	-
Home rule sales					2,156,948	-	2,156,948	-
Replacement					234,257	-	234,257	-
Municipal utility					3,630,961	-	3,630,961	-
Real estate transfer					1,379,577	-	1,379,577	-
Other					1,041,075	-	1,041,075	-
Income					6,439,536	-	6,439,536	-
Investment income					61,432	7,257	68,689	-
Gain on sale of capital assets					4,953	-	4,953	-
Miscellaneous					579,565	-	579,565	-
Transfers					(97,572)	97,572	-	-
Total General Revenues and Transfers					<u>46,512,242</u>	<u>104,829</u>	<u>46,617,071</u>	<u>-</u>
CHANGE IN NET POSITION					(9,853,341)	(2,265,395)	(12,118,736)	117,626
NET POSITION, JANUARY 1 (as restated)					<u>(35,686,666)</u>	<u>39,066,838</u>	<u>3,380,172</u>	<u>1,246,264</u>
<b>NET POSITION (DEFICIT), DECEMBER 31</b>					<u>\$ (45,540,007)</u>	<u>\$ 36,801,443</u>	<u>\$ (8,738,564)</u>	<u>\$ 1,363,890</u>

CITY OF BERWYN, ILLINOIS

BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2013

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 6,712,928	\$ 24,770	\$ 7,755,307	\$ 14,493,005
Restricted cash	-	88,567	608,934	697,501
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	20,820,167	4,385,246	3,052,292	28,257,705
Sales taxes	769,341	-	-	769,341
Home rule sales tax	591,351	-	-	591,351
Income taxes	1,448,674	-	-	1,448,674
Personal property replacement tax	39,243	-	-	39,243
Utility tax	654,004	-	-	654,004
Accounts	1,570,747	51	348,602	1,919,400
Interest	2,134	1,268	1,595	4,997
Prepaid items	73,744	-	-	73,744
Due from other funds	5,026,439	508,209	148,611	5,683,259
Due from other governments	-	-	244,588	244,588
Notes receivable	708,701	-	2,795,390	3,504,091
Land held for resale	107,710	-	5,690,405	5,798,115
<b>TOTAL ASSETS</b>	<b>\$ 38,525,183</b>	<b>\$ 5,008,111</b>	<b>\$ 20,645,724</b>	<b>\$ 64,179,018</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 768,896	\$ 200	\$ 559,614	\$ 1,328,710
Accrued payroll	1,511,962	-	47,925	1,559,887
Unearned revenues	30,331	-	2,817,582	2,847,913
Due to other funds	5,097,271	-	3,067,136	8,164,407
Due to fiduciary funds	47,825	-	-	47,825
Other liabilities	382,797	-	86,162	468,959
<b>TOTAL LIABILITIES</b>	<b>7,839,082</b>	<b>200</b>	<b>6,578,419</b>	<b>14,417,701</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	20,624,857	4,366,037	2,986,312	27,977,206
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>20,624,857</b>	<b>4,366,037</b>	<b>2,986,312</b>	<b>27,977,206</b>
<b>FUND BALANCES</b>				
Nonspendable				
Notes receivable	708,701	-	-	708,701
Land held for resale	107,710	-	-	107,710
Prepaid items	73,744	-	-	73,744
Restricted				
Public safety	-	-	1,854,562	1,854,562
Public works	-	-	716,826	716,826
Culture and recreation	-	-	110,288	110,288
Economic development	-	-	6,926,473	6,926,473
Debt service	-	641,874	-	641,874
Committed				
Capital projects funded by bonds	-	-	2,138,978	2,138,978
Assigned				
Fuel surcharge for gas pump repairs	4,716	-	-	4,716
Future community events	23,025	-	-	23,025
Unassigned (deficit)	9,143,348	-	(666,134)	8,477,214
<b>TOTAL FUND BALANCES</b>	<b>10,061,244</b>	<b>641,874</b>	<b>11,080,993</b>	<b>21,784,111</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 38,525,183</b>	<b>\$ 5,008,111</b>	<b>\$ 20,645,724</b>	<b>\$ 64,179,018</b>

CITY OF BERWYN, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION  
December 31, 2013

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FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 21,784,111
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	53,509,762
The pension assets resulting from contributions in excess of the annual required contribution are not financial resources and therefore, are not reported in the governmental funds	
Police pension	9,341,798
Fire pension	9,992,269
Premiums or discounts on long-term liabilities and gains and losses on debt refundings are capitalized and amortized at the government-wide level	
Premium on bonds	(936,674)
Loss on refunding	224,471
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(131,540,282)
Installment notes payable	(737,012)
Mortgage notes payable	(2,359,842)
Capital leases	(439,123)
IMRF early retirement liability	(473,010)
Long-term compensated absences	(3,178,657)
Net pension obligation	
IMRF	(220,364)
IMRF SLEP	(3,992)
Net other postemployment benefits obligation	(921,506)
Accrued interest on bonds	(676,330)
The unrestricted net position (deficit) of the internal service funds are included in the governmental activities in the statement of net assets	<u>1,094,374</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (45,540,007)</u>

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See accompanying notes to financial statements.



## CITY OF BERWYN, ILLINOIS

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

For the Year Ended December 31, 2013

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Property taxes	\$ 20,548,629	\$ 2,042,791	\$ 5,567,535	\$ 28,158,955
Other taxes	17,434,105	-	499,013	17,933,118
Licenses and permits	3,143,853	-	-	3,143,853
Charges for services	1,743,419	-	-	1,743,419
Fines and forfeitures	5,351,665	-	46,484	5,398,149
Intergovernmental	106,709	-	4,084,818	4,191,527
Investment income	46,315	2,447	12,670	61,432
Miscellaneous	1,322,086	-	289,026	1,611,112
Total Revenues	<u>49,696,781</u>	<u>2,045,238</u>	<u>10,499,546</u>	<u>62,241,565</u>
<b>EXPENDITURES</b>				
Current				
General government	3,638,505	-	-	3,638,505
Public safety	65,675,879	-	735,873	66,411,752
Public works	5,452,533	-	1,278,879	6,731,412
Economic development	235,505	-	6,541,579	6,777,084
Culture and recreation	1,671,259	-	3,098,095	4,769,354
Capital outlay	-	-	2,140,402	2,140,402
Debt service				
Principal	-	4,060,000	430,658	4,490,658
Interest and fiscal charges	-	4,727,815	114,398	4,842,213
Bond issuance costs	302,828	103,279	-	406,107
Total Expenditures	<u>76,976,509</u>	<u>8,891,094</u>	<u>14,339,884</u>	<u>100,207,487</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(27,279,728)</u>	<u>(6,845,856)</u>	<u>(3,840,338)</u>	<u>(37,965,922)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds of debt issuance	30,350,000	5,705,000	-	36,055,000
Premium on issuance of long-term debt	-	170,408	-	170,408
Proceeds from sale of property	-	-	154,785	154,785
Proceeds from sale of capital assets	4,953	-	-	4,953
Proceeds from capital leases	260,532	-	-	260,532
Transfers in	531,179	1,090,993	915,149	2,537,321
Transfers (out)	(605,063)	-	(1,932,258)	(2,537,321)
Total Other Financing Sources (Uses)	<u>30,541,601</u>	<u>6,966,401</u>	<u>(862,324)</u>	<u>36,645,678</u>
NET CHANGE IN FUND BALANCES	3,261,873	120,545	(4,702,662)	(1,320,244)
FUND BALANCES, JANUARY 1 (as restated)	<u>6,799,371</u>	<u>521,329</u>	<u>15,783,655</u>	<u>23,104,355</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u>\$ 10,061,244</u>	<u>\$ 641,874</u>	<u>\$ 11,080,993</u>	<u>\$ 21,784,111</u>

See accompanying notes to financial statements.

CITY OF BERWYN, 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 December 31, 2013

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NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (1,320,244)
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	1,459,933
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities	(36,315,532)
The accretion on capital appreciation bonds does not require the use of current financial resources and, therefore, is not reported in the governmental funds	(75,421)
The repayment of 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	
General obligation bonds	4,060,000
Installment notes	193,951
Mortgage notes	236,707
Capital leases	188,604
Changes in net pension assets/obligations are reported only in the statement of activities	
Police pension	12,956,689
Firefighters' pension	13,407,963
IMRF	(4,620)
IMRF SLEP	(82)
Other postemployment benefits are recognized when paid within the governmental funds; however, they are recognized as earned in the government-wide financial statements	131,350
Changes in long-term accrued compensated absences are reported only in the statement of activities	(216,413)
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	(3,663,226)
Loss on disposal of capital assets	(17,377)
Change in accrued interest payable	(261,122)
Deferral of bond discount/premium	(170,408)
Amortization of accounting loss on refunding	(227,145)
Amortization of bond premium and discount	256,905
Change in IMRF liability	111,383
The change in net position of certain activities of internal service funds is reported with governmental activities	<u>(585,236)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (9,853,341)</u>

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CITY OF BERWYN, ILLINOIS

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 December 31, 2013

	Business-Type			Governmental Activities Internal Service
	Utilities	Parking Garage	Total	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and investments	\$ 3,771,117	\$ -	\$ 3,771,117	\$ 100,000
Restricted cash	622,724	-	622,724	-
Receivables				
Accounts (net of allowance)	5,408,524	-	5,408,524	54,000
Notes	-	29,760	29,760	-
Interest	1,229	-	1,229	-
Prepaid expenses	-	-	-	433,480
Due from other funds	-	402,009	402,009	4,038,442
<b>Total Current Assets</b>	<b>9,803,594</b>	<b>431,769</b>	<b>10,235,363</b>	<b>4,625,922</b>
<b>NONCURRENT ASSETS</b>				
Capital assets				
Capital assets, not being depreciated	148,805	-	148,805	-
Capital assets, net of accumulated depreciation	24,527,321	9,720,860	34,248,181	-
Net Capital Assets	24,676,126	9,720,860	34,396,986	-
<b>Total Noncurrent Assets</b>	<b>24,676,126</b>	<b>9,720,860</b>	<b>34,396,986</b>	<b>-</b>
<b>Total Assets</b>	<b>34,479,720</b>	<b>10,152,629</b>	<b>44,632,349</b>	<b>4,625,922</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	2,377,745	42	2,377,787	-
Claims payable	-	-	-	759,665
Accrued payroll	28,971	-	28,971	-
Security deposits	-	9,202	9,202	-
Unearned revenue	396,206	-	396,206	-
Accrued interest payable	9,965	-	9,965	-
Compensated absences	25,874	-	25,874	-
Due to other funds	1,959,303	-	1,959,303	-
<b>Total Current Liabilities</b>	<b>4,798,064</b>	<b>9,244</b>	<b>4,807,308</b>	<b>759,665</b>
<b>LONG-TERM LIABILITIES</b>				
Claims payable	-	-	-	2,771,883
Bonds payable	2,946,153	-	2,946,153	-
Net pension obligation	23,804	-	23,804	-
Compensated absences payable	53,641	-	53,641	-
<b>Total Long-Term Liabilities</b>	<b>3,023,598</b>	<b>-</b>	<b>3,023,598</b>	<b>2,771,883</b>
<b>Total Liabilities</b>	<b>7,821,662</b>	<b>9,244</b>	<b>7,830,906</b>	<b>3,531,548</b>
<b>NET POSITION</b>				
Invested in capital assets	22,352,697	9,720,860	32,073,557	-
Unrestricted (deficit)	4,305,361	422,525	4,727,886	1,094,374
<b>Total Net Position (Deficit)</b>	<b>\$ 26,658,058</b>	<b>\$ 10,143,385</b>	<b>\$ 36,801,443</b>	<b>\$ 1,094,374</b>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2013

	Business-Type			Governmental Activities
	Utilities	Parking Garage	Total	Internal Service
<b>OPERATING REVENUES</b>				
Charges for services				
Billings	\$ 13,043,834	\$ -	\$ 13,043,834	\$ -
Penalties	1,349,145	-	1,349,145	-
Meter sales	38,035	-	38,035	-
Internal service charges	-	-	-	1,413,185
Other revenue	14,677	212,255	226,932	962
	<u>14,445,691</u>	<u>212,255</u>	<u>14,657,946</u>	<u>1,414,147</u>
Total Operating Revenues				
<b>OPERATING EXPENSES</b>				
Salaries and benefits	1,459,792	-	1,459,792	-
Internal service fund charge	24,973	431	25,404	-
Cost of water	5,208,588	-	5,208,588	-
Contractual services	4,444,436	2,782	4,447,218	-
Utilities and cost of fuel	186,695	16,837	203,532	-
Repairs and maintenance	568,895	7,707	576,602	-
Postage, printing and publications	54,424	-	54,424	-
Commodities and supplies	203,113	-	203,113	-
Interdepartmental charges	840,576	-	840,576	-
Other general	13,276	-	13,276	-
Equipment lease	22,612	-	22,612	-
Claims expense	-	-	-	1,999,383
Depreciation	3,620,349	233,231	3,853,580	-
	<u>16,647,729</u>	<u>260,988</u>	<u>16,908,717</u>	<u>1,999,383</u>
Total Operating Expenses				
Operating Income (Loss)	<u>(2,202,038)</u>	<u>(48,733)</u>	<u>(2,250,771)</u>	<u>(585,236)</u>
<b>NON-OPERATING INCOME (EXPENSE)</b>				
Investment income	7,257	-	7,257	-
Interest expense	(119,453)	-	(119,453)	-
Total Non-operating Income (Expense)	<u>(112,196)</u>	<u>-</u>	<u>(112,196)</u>	<u>-</u>
Income (Loss) Before Contributions and Transfers	(2,314,234)	(48,733)	(2,362,967)	(585,236)
<b>CAPITAL CONTRIBUTIONS</b>				
	97,572	-	97,572	-
CHANGE IN NET POSITION	(2,216,662)	(48,733)	(2,265,395)	(585,236)
NET POSITION (DEFICIT), JANUARY 1	<u>28,874,720</u>	<u>10,192,118</u>	<u>39,066,838</u>	<u>1,679,610</u>
<b>NET POSITION (DEFICIT), DECEMBER 31</b>	<u>\$ 26,658,058</u>	<u>\$ 10,143,385</u>	<u>\$ 36,801,443</u>	<u>\$ 1,094,374</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2013

	Business-Type			Governmental Activities Internal Service
	Utilities	Parking Garage	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 13,096,929	\$ 182,495	\$ 13,279,424	\$ 1,360,147
Payments to employees	(1,441,578)	-	(1,441,578)	-
Payments to suppliers	(10,663,420)	(29,412)	(10,692,832)	(2,064,556)
Payments for interfund services used	(865,549)	(431)	(865,980)	-
Net cash from operating activities	<u>126,382</u>	<u>152,652</u>	<u>279,034</u>	<u>(704,409)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Reduction (increase) of interfund receivable	-	(152,652)	(152,652)	704,409
Decrease in interfund payable	(370,826)	-	(370,826)	-
Net cash from noncapital financing activities	<u>(370,826)</u>	<u>(152,652)</u>	<u>(523,478)</u>	<u>704,409</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Interest paid on capital debt	(119,588)	-	(119,588)	-
Purchase of capital assets	(1,495,643)	-	(1,495,643)	-
Net cash from capital and related financing activities	<u>(1,615,231)</u>	<u>-</u>	<u>(1,615,231)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment income received	<u>7,572</u>	<u>-</u>	<u>7,572</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,852,103)	-	(1,852,103)	-
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>6,245,944</u>	<u>-</u>	<u>6,245,944</u>	<u>100,000</u>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<u>\$ 4,393,841</u>	<u>\$ -</u>	<u>\$ 4,393,841</u>	<u>\$ 100,000</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (2,202,038)	\$ (48,733)	\$ (2,250,771)	\$ (585,236)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	3,620,349	233,231	3,853,580	-
Changes in assets and liabilities				
Accounts receivable	(1,744,968)	-	(1,744,968)	(54,000)
Notes receivable	-	(29,760)	(29,760)	-
Prepaid expense	-	-	-	(50,895)
Accounts payable	38,619	(2,086)	36,533	-
Accrued payroll and compensated absences	17,721	-	17,721	-
Unearned revenue	396,206	-	396,206	-
Net pension obligation	493	-	493	-
Claims payable	-	-	-	(14,278)
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 126,382</u>	<u>\$ 152,652</u>	<u>\$ 279,034</u>	<u>\$ (704,409)</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Contributions of capital assets from government	<u>\$ 97,572</u>	<u>\$ -</u>	<u>\$ 97,572</u>	<u>\$ -</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS  
STATEMENT OF FIDUCIARY NET POSITION  
PENSION TRUST FUNDS  
December 31, 2013

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**ASSETS**

Cash and investments	
Cash and cash equivalents	\$ 34,985
Investments	
U.S. Government and agency securities	12,223,272
Corporate bonds	14,598,851
Money market mutual funds	15,125,901
Equities	14,540,539
Equity mutual funds	40,424,516
Certificates of deposit	352,461
State and local obligations	1,382,015
Insurance contracts	<u>123,364</u>
 Total Cash and Investments	 <u>98,805,904</u>
 Receivables	
Accrued interest	203,406
Other receivables	19,169
Due from governmental funds	<u>47,825</u>
 Total Receivables	 <u>270,400</u>
 Prepays	 <u>2,300</u>
 Total Assets	 <u>99,078,604</u>
 <b>LIABILITIES</b>	
Accounts payable	<u>43,061</u>
 Total Liabilities	 <u>43,061</u>
 <b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS</b>	 <u>\$ 99,035,543</u>

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See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PENSION TRUST FUNDS

For the Year Ended December 31, 2013

**ADDITIONS**

Contributions	
Employer	\$ 34,970,487
Participants	<u>1,729,897</u>
Total Contributions	<u>36,700,384</u>
Investment income	
Net appreciation in fair value of investments	6,288,565
Interest earned	2,338,509
Less investment expenses	<u>(154,252)</u>
Total Investment Income	<u>8,472,822</u>
Total Additions	<u>45,173,206</u>

**DEDUCTIONS**

Administrative	130,996
Pension benefits and refunds	<u>8,142,914</u>
Total Deductions	<u>8,273,910</u>

NET INCREASE 36,899,296

NET POSITION HELD IN TRUST FOR  
PENSION BENEFITS - January 1 62,136,247

**NET POSITION HELD IN TRUST FOR  
PENSION BENEFITS - December 31** \$ 99,035,543

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Berwyn, Illinois (the City) 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 City's and Berwyn Development Corporation's (the BDC) accounting policies are described below.

Reporting Entity: As required by GAAP, these financial statements present the City (the primary government) and its component unit.

The City's financial statements include two pension trust funds.

*Police Pension Fund* - The City's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected pension beneficiary, and two elected police employees constitute the pension board. The City and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's police employees, and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund.

*Firefighters' Pension Fund* - The City's firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two are appointed by the City's Mayor, two are elected from active participants, and one is elected from retired participants of the Fund. The City and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's firefighters and because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund.

The City's financial statements also includes one component unit.

*Discretely Presented Component Unit - Berwyn Development Corporation (the BDC)* - The BDC provides low-interest lending assistance to local businesses. The City guarantees the lines of credits used to fund these loans and approves all loans to local businesses. Therefore, the BDC is fiscally dependent on the City. In addition, the BDC manages loans provided directly by the City to local businesses and also manages the City's tax increment financing projects. Separately issued audited financial statements can be obtained by mailing a request to the Berwyn Development Corporation, 3322 S. Oak Park Ave, Second Floor, Berwyn, IL 60402.

Fund Accounting: The City uses funds to report on its financial position, changes in financial position, and cash flows. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.



CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the acquisition or construction of capital assets (capital projects funds), and the servicing of governmental long-term debt (debt service funds).

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 City (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 City.

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 City. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used between funds have not been eliminated in the process of consolidation. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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 and 2) grants and shared revenues that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items are not included among program revenues but are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund is the City's primary operating fund. It accounts for all financial resources of the City, not accounted for in another fund.

Debt Service Fund is used to account for the accumulation of resources restricted, committed, or assigned to the payment of governmental long-term debt, other than debt service payments made by the proprietary funds.

The City reports the following fiduciary funds:

The City reports Pension Trust Funds as fiduciary funds to account for the Firefighters' Pension Fund and the Police Pension Fund.

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City reports the following proprietary funds:

The Utilities Fund (formerly known as the Water and Sewer Fund), an enterprise fund, is used to account for water, sewer, and garbage services provided to the residents of the City. The Utilities Fund is a major fund.

The Parking Garage Fund, an enterprise fund, is used to account for the operation of the municipal parking garage in the South Berwyn TIF District. The Parking Garage Fund is a major fund.

The Self Insurance Retention Fund, an internal service fund, is used to account for the liability and workers' compensation claims of the City.

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. 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.

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, usually 90 days. The City 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.

Sales taxes owed to the state at year end, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Income and motor fuel taxes and fines collected and held by the state or county at year end on behalf of the City 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 are met.

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City reports unavailable/unearned revenue on its financial statements. Unavailable/unearned revenues arise when a potential revenue does not meet both the “measurable” and “available” or “earned” criteria for recognition in the current period. Unavailable/unearned revenues also arise when resources are received by the government 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 government has a legal claim to the resources, the liability for unavailable/unearned revenue is removed from the financial statements and revenue is recognized.

All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the City’s proprietary funds consider 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 and non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is based on prices listed on national exchanges as of December 31, 2013 for debt and equity securities. Mutual funds, investment funds and insurance separate accounts are valued at contract value as of December 31, 2013.

Interfund Transactions: 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 from other funds” or “due to other funds” on the financial statements. Short-term interfund loans, if any, are classified as “interfund receivables/payables.”

Internal 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 internal services transactions and reimbursements, are reported as transfers.

Advances between funds, if any, are offset by a fund balance restricted in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

Prepaid Items/Expenses: Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses and are recorded using the consumption method of accounting.

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm sewers, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The costs of normal maintenance and repairs, including street overlays, that do not add to the value or service capacity 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:

Vehicles	5 - 20 years
Equipment	5 - 15 years
Land improvements	18 - 25 years
Buildings	15 - 50 years
Infrastructure	17 - 75 years

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of financial 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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported. The governmental funds and activities report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences: Under terms of employment and various union contracts, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

Vacation time does not accumulate; any vacation time not taken by current employees is forfeited at year end. Upon termination or resignation during the year, employees are compensated for that year's earned vacation time. As such, no liability is reported for unused vacation time.

Employees earn sick leave at various rates. Any unused sick leave at year end accumulates in that employee's bank. Employees' banks are capped at 30 - 40 days, depending on the applicable contract. After year end, any days in excess of the cap are purchased back by the City. Upon retirement, certain employees are eligible to have their sick leave paid out. Upon termination or resignation, no compensation for unused sick leave is made. However, unused sick leave may be converted to years of service for IMRF purposes. The City has accrued all accumulated sick leave as a liability in the government-wide financial statements. Only the portion of sick leave purchased back in the following year is accrued within the fund statements. At December 31, 2013, the City reported \$990,248 within its General Fund and \$25,874 within its Utilities Fund related to sick leave purchased back for 2013. The balances are recorded as a portion of the noncurrent liabilities - due within one-year balances on the Statement of Net Position for both governmental and business-type activities.

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as losses on refundings, are deferred and amortized over the life of the bonds on the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Losses on refunding are reported as deferred outflows.

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 other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Fund Balances/Net Position: In compliance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the fund balance section of the balance sheet of the governmental funds includes the following line items:

- a) Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b) Restricted fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments as well as limitations imposed by law through constitutional provision or enabling legislation. In the TIF funds, land for resale will be classified as restricted instead of nonspendable as proceeds from the sale of those assets will be restricted for future economic development.
- c) Committed fund balance has self imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the City, the City Council is the highest level of decision making, and has the ability to vote to establish, modify, or rescind a fund balance commitment by passage of a City ordinance. As of December 31, 2013, the City has committed fund balance for capital projects funded with bond proceeds.
- d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the official designated by the City Council for that purpose. Through the adopted Fund Balance Policy, the Finance Director has been designated by the City Council determine the intent of funds and assign amounts to be used for specific purposes. The City Administrator has been entrusted with reviewing and approving the assignment made by the Finance Director. As of December 31, 2013, the City has assigned fund balance for the purpose of replacing gas pumps under control of the City's Public Works Department and for future community events.
- e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. Negative fund balances in governmental funds other than the general fund are also unassigned.

If there is an expenditure incurred for purposes for which restricted, committed, assigned, or unassigned fund balance classifications could be used, then the City will consider restricted fund balance to be spent first, then committed fund balance, followed by assigned fund balance and finally unassigned fund balance.

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City's policy requires fund balance in the General and Library Funds to be 16% of the next year's budget to fund January and February's expenditures of the following year as property tax revenues funding the following year are not received until March. The Motor Fuel Tax Fund shall be maintained at a minimum of 15% of the following year's expected capital projects. The Utilities Fund shall be maintained at a minimum of 10% of the subsequent year's budget in preparation for unforeseen expenditures. The City will strive to ensure that all remaining funds have a positive fund balance.

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 book value of capital assets less any long-term debt principal outstanding issued to construct capital assets. In cases where either restricted or unrestricted funds can be used to pay expenditures, restricted funds will be used first until exhausted.

Restricted Cash: Property taxes levied for the purpose of making debt service payments on the 2008-2013 bond issues are required by bond covenants to be directly deposited in an escrow account. The balance of that escrow account at December 31, 2013 is classified as restricted cash on the balance sheet because its use is limited by applicable bond covenants. The restricted cash is to be used to make future interest payments as follows:

6/1/2014	\$	88,567
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In addition, unspent bond proceeds in the amount of \$622,724 to be used for a capital project in the Utilities Fund are classified as restricted cash on the Statement of Net Position. Unspent bond proceeds in the amount of \$608,934 to be used for a capital project in the Roosevelt Road TIF Fund are classified as restricted cash on the Statement of Net Position as well.

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Deficit Fund Balances: The CDBG Fund had a deficit fund balance at December 31, 2013 of \$666,134. This was primarily due to a decline in federal funding which will continue in the near future. The City will attempt to compensate for the decline in funding through General Fund subsidies.

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

City Deposits and Investments: The City's cash and investments (including pension funds) at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>Associated Risk</u>
Demand Deposits	\$ 17,273,212	\$ 18,296,003	Custodial credit deposits
Illinois Funds	1,832,246	1,830,929	Credit and interest rate
Certificates of deposit	966,335	966,335	Custodial credit deposits
U.S. Treasury	10,457,055	10,457,055	Custodial credit investments and interest rate risks
U.S. agencies	1,766,217	1,766,217	Custodial credit investments, credit, concentration of credit and interest rate risk
Insurance Company Contracts	123,364	123,364	Credit and interest rate
Corporate bonds	14,598,851	14,598,851	Custodial credit and interest rate
Equities	14,540,539	14,540,539	Custodial credit and interest rate
Equity mutual funds	40,424,516	40,424,516	Credit and interest rate
State and local obligations	1,382,015	1,382,015	Custodial credit and interest rate
Money market mutual funds	<u>15,125,901</u>	<u>15,125,901</u>	Credit and interest rate
	<u>\$ 118,490,251</u>	<u>\$ 119,511,725</u>	
Reconciliation to financial statements			
Per Statement of Net Position			
Cash and investments	\$ 18,364,122		
Restricted cash	1,320,225		
Per Statement of Net Position -			
Fiduciary funds			
Pension Trust Funds	<u>98,805,904</u>		
Total Cash and Investments	<u>\$ 118,490,251</u>		

The City's investment policy authorizes the City to invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or 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 Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and Illinois insurance company general and separate accounts, corporate bonds, mutual funds and equity securities.

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS** (Continued)

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

It is the policy of the City 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 City 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 of principal, liquidity, and rate of return.

*Custodial Credit Risk:* Deposits - Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it.

The City's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held at an independent third party institution in the name of the City. As of December 31, 2013, all of the City's bank balances were insured and collateralized.

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

To limit its exposure, the City'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 a third party custodian designated by the City, in the City's name.

*Credit Risk:* Credit Risk - is the risk that an issuer or other counterparty to an investment will not fulfill its obligation.

The City limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by investing in external investment pools. Illinois Funds is rated AAA.

*Interest Rate Risk:* In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

*Concentration of Credit Risk:* Concentration of credit risk is the risk that the City has a high percentage of their investments invested in one type of investment. At December 31, 2013, the City had greater than 5% of its overall portfolio invested in Illinois Funds. The City's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits.

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(Continued)



**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Police Pension Deposits and Investments: The Police Pension Fund's investment policy authorizes the Police Pension Fund to invest in all investments allowed by the Illinois Pension Code contained in Chapter 40 of Illinois Compiled Statutes (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 Israel, 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 (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value).

It is the policy of the Police Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Police Pension 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, in order of priority, safety of principal, rate of return, public trust and liquidity.

*Custodial Credit Risk:* In the case of deposits, this is the risk that in the event of a bank failure, the Police Pension Fund's deposits may not be returned to it. At December 31, 2013, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through Federal Deposit Insurance Corporation (FDIC) insurance is available for the Pension Fund's deposits with financial institutions.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. Although not specifically required by the investment policy, the Police Pension Fund limits its exposure by requiring the investment broker/custodian to acquire an excess Securities Investor Protection Corporation (SIPC) policy to provide the same coverage for the portfolio as would be provided by the SIPC.

*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 the Police Pension Fund's investment policy, the Police Pension Fund is required to maintain sufficient cash on hand to pay the monthly expenditures. The investment policy defines this as "a 2% cash position will be held outside of investible funds subject to cash flow needs." As of December 31, 2013, the Police Pension Fund held \$6,615,235 in cash accounts listed as cash and cash equivalents and money market funds, which is approximately 10.78% of Pension Fund Cash and Investments.

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

As of December 31, 2013, the Police Pension Fund's investments in debt securities were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity in Years</u>			
		<u>Less than 1 Year</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>Over 10</u>
U.S. Treasury	\$ 6,999,096	\$ 1,091,092	\$ 4,473,451	\$ 1,434,553	\$ -
U.S. agencies	1,166,754	319	1,069,190	40,331	56,914
Corporate bonds	10,156,302	503,078	5,609,618	4,007,421	36,185
State and local	<u>1,056,063</u>	<u>-</u>	<u>434,666</u>	<u>621,397</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 19,378,215</u></b>	<b><u>\$ 1,594,489</u></b>	<b><u>\$ 11,586,925</u></b>	<b><u>\$ 6,103,702</u></b>	<b><u>\$ 93,099</u></b>

*Credit Risk:* The Police Pension 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 securities issued by the U.S. Government and/or its agencies that are implicitly guaranteed by the U.S. Government. The investments in State and Local Obligations were rated AA or higher and the securities of U.S. Government Agencies were all rated AAA by Standard & Poor's or by Moody's Investors Services or were small issues that were unrated. In August 2011, U.S Treasury and government agency security ratings were downgraded by Standard & Poor's rating agency to AA+. Unrated investments individually are under \$205,000 and total \$816,752. Corporate bonds must be rated as investment grade.

The Police Pension Fund's investment policy also prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

*Concentration of Credit Risk:* Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of their investments invested in one type of investment. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and are backed by the issuing organization. Although unlike the US Treasury, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by the US Treasury lines of credit and increasingly stringent federal regulation. At December 31, 2013, the Police Pension Fund had greater than 5% of its overall portfolio invested in the following:

<u>Investment</u>	<u>Amount Invested</u>	<u>Percentage of Total Portfolio</u>
American Funds Washington Mutual Fund	\$ 7,977,428	13.00%
Harbor Int'l Institutional Shares Fund	4,218,973	6.88%
Lazard Emerging Markets Equity Fund	3,918,922	6.39%
Vanguard Developed Market Index Fund	3,200,445	5.22%

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

The Police Pension Fund's investment policy requires diversification of investments to avoid unreasonable risk. The Police Pension Fund's investment policy has a stated target that 30% to 78% of its portfolio be in fixed income securities, a 20% to 65% target in equities with the remaining 2% to 20% to be in cash and equivalents. The Police Pension Fund has diversified its insurance contract and equity mutual fund holdings as follows:

American Funds Washington Mutual Fund	\$ 7,977,428
Harbor Int'l Institutional Shares Fund	4,218,973
Lazard Emerging Markets Equity Fund	3,918,922
Vanguard Developed Market Index Fund	3,200,445
Allianz Small Cap Value Fund	1,604,628
Aston/ Fairpointe Mid Cap Growth Mutual Fund	1,502,053
Artisan Funds Mid Cap Growth Mutual Fund	1,428,720
ING Real Estate Mutual Fund	1,383,615
Vanguard FTSE Developed Markets ETF Fund	807,383
iShares Core S&P Small-Cap ETF Fund	523,169
WisdomTree Japan Hedged Equity ETF Fund	193,192

Firefighters' Pension Deposits and Investments: The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or 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 (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value). The Firefighters' Pension Fund's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the Firefighters' Pension Fund 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 Firefighters' Pension 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, in order of priority, safety of principal, liquidity and rate of return.

*Custodial Credit Risk:* In the case of deposits, this is the risk that in the event of a bank failure, the Fire Pension Fund's deposits may not be returned to it. At December 31, 2013, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Fire Pension Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fire Pension Fund's deposits with financial institutions.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fire Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. Although not specifically required by the investment policy, the Fire Pension Fund limits its exposure by requiring the investment broker/custodian to acquire an excess SIPC policy to provide the same coverage for the portfolio as would be provided by the SIPC.

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

*Interest Rate Risk:* In accordance with its investment policy, the Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. The investment policy defines this as "a 2% cash position will be held outside of investible funds subject to cash flow needs." As of December 31, 2013, the Fire Pension Fund held \$8,545,651 in cash accounts listed as cash and cash equivalents and money market funds, which is approximately 22.82% of Pension Fund Cash and Investments.

As of December 31, 2013, the Firefighters' Pension Fund's investments matured as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity in Years</u>			
		<u>Less than 1 Year</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>Over 10</u>
U.S. Treasury	\$ 3,457,959	\$ 50,145	\$ 2,687,414	\$ 720,400	\$ -
U.S. agencies	599,463	-	466,787	38,590	94,086
Corporate bonds	4,442,549	-	2,655,347	1,773,633	13,569
Certificates of deposit	352,461	98,137	254,324	-	-
State and local obligations	<u>325,952</u>	<u>-</u>	<u>-</u>	<u>127,986</u>	<u>197,966</u>
<b>Total</b>	<b><u>\$ 9,178,384</u></b>	<b><u>\$ 148,282</u></b>	<b><u>\$ 6,063,872</u></b>	<b><u>\$ 2,660,609</u></b>	<b><u>\$ 305,621</u></b>

*Credit Risk:* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The Investments in State and Local Obligations were rated AA or higher and the securities of U.S. Government Agencies were all rated AAA by Standard & Poor's or by Moody's Investors Services or were small issues that were unrated. In August 2011, U.S Treasury and government agency security ratings were downgraded by Standard & Poor's rating agency to AA+. There were no unrated investments as of December 31, 2013. Corporate bonds must be rated investment grade.

The Firefighters' Pension Fund's investment policy also prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

*Concentration of Credit Risk:* Concentration of credit risk is the risk that the Fire Pension Fund has a high percentage of their investments invested in one type of investment. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and are backed by the issuing organization. Although unlike the US Treasury, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by the US Treasury lines of credit and increasingly stringent federal regulation. At December 31, 2013, the Fire Pension Fund had greater than 5% of its overall portfolio invested in the following:

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

<u>Investment</u>	<u>Invested</u>	<u>Total Portfolio</u>
iShares Core S&P 500 ETF Fund	\$ 5,315,159	14.19%
Harbor International Mutual Fund	3,857,314	10.30%
Harding Loevner Emerging Market Portfolio Fund	2,668,746	7.13%

The Fire Pension Fund's investment policy requires diversification of investments to avoid unreasonable risk. The Fire Pension Fund's investment policy has a stated target that 30% to 78% of its portfolio be in fixed income securities, a 20% to 65% target in equities with the remaining 2% to 20% to be in cash and equivalents. The Fire Pension Fund has diversified its insurance contract and equity mutual fund holdings as follows:

iShares Core S&P 500 ETF Fund	\$ 5,315,159
Harbor International Mutual Fund	3,857,314
Harding Loevner Emerging Market Portfolio Fund	2,668,746
Aston/Fairpointe Optimum Mid Cap Fund	739,979
Madison Mosaic Mid Cap Fund	664,504
Vanguard REIT Index ETF Fund	420,286
Prudential Discovery Insurance Contract	111,247

**B. Receivables**

Property Taxes: Property taxes for 2013 attach as an enforceable lien on January 1, 2013 on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about March 1, 2014 and October 1, 2014 and are payable in two installments, on or about April 1, 2014 and November 1, 2014. The County collects such taxes and remits them periodically.

CDBG Rehabilitation Notes Receivable: The City makes loans to city residents for the rehabilitation of single-family housing. Initial funding for these loans was from Community Development Block Grant (CDBG) funds. These loans are title transfer loans which are due in full when the housing unit is sold. Repayments of principal on these receivables, which are recorded in the CDBG Fund, are used to make additional rehabilitation loans. Loan activity for the current year is summarized as follows:

<u>Original Loan</u>	<u>Interest Rates</u>	<u>Beginning Balance</u>	<u>Loans Made</u>	<u>Repayments</u>	<u>Loan Write-Offs</u>	<u>Ending Balance</u>
CDBG Rehab Loans	<u>0%</u>	<u>\$ 2,795,390</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,795,390</u>

The entire balance of the CDBG Rehab loans are included in unearned revenue.

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Berwyn Development Corporation Notes Receivable: The City provides low interest lending assistance to local businesses through its partnership with the BDC. The loans are administered by the BDC. Notes outstanding at December 31, 2013 are as follows:

<u>Original Loan</u>	<u>Beginning Balance</u>	<u>Loans Issued</u>	<u>Principal Paid</u>	<u>Ending Balance</u>	<u>Current Position</u>
\$ 390,000	\$ 333,747	\$ -	\$ 686	\$ 333,061	\$ 1,372
255,000	255,000	-	1,899	253,101	11,919
107,710	107,710	-	107,710	-	-
35,000	31,710	-	1,234	30,476	1,268
92,063	-	92,063	-	92,063	5,818
<u>\$ 879,773</u>	<u>\$ 728,167</u>	<u>\$ 92,063</u>	<u>\$ 111,529</u>	<u>\$ 708,701</u>	<u>\$ 20,377</u>

- \$390,000 note receivable in 152 consecutive payments commencing November 1, 2006 through June 1, 2019. Interest accrues on unpaid balances at a variable rate of prime plus 2.5% adjusted each December 1. The borrower became delinquent and in June 2011, the note was renegotiated. The renegotiated note provides for payments of \$2,050 commencing July 1, 2011 through June 1, 2016 at a variable rate of prime plus 2% adjusted each December 1.
- \$255,000 note receivable in 12 consecutive payments of \$638 commencing April 13, 2012 and one final payment of all outstanding liabilities on May 1, 2013. Interest accrues on unpaid balances at a rate of 3% per annum. The note was renegotiated in October of 2013. The renegotiated note provides for payments of \$2,438 commencing October 1, 2013 through April 1, 2027 at a rate of 7% per annum.
- \$107,710 note receivable in 212 consecutive principal and interest payments commencing August 1, 2012 and one final payment of all outstanding liabilities on August 1, 2029. Interest accrues on unpaid balances at a rate of 5.25% per annum. The borrower defaulted on the loan and in November of 2013, the City acquired property owned by the borrower to satisfy the loan. This property is included as land held for resale by the City.
- \$35,000 note receivable in 60 consecutive principal and interest payments of \$231 commencing February 14, 2011 and one final payment of all outstanding liabilities on January 14, 2015. Interest accrues on unpaid balances at a rate of 5% per annum. The note was renegotiated in January of 2013. The renegotiated note provides for payments of \$231 commencing January 14, 2013 through January 30, 2030 at a rate of 5% per annum.
- \$92,063 note receivable in 60 consecutive principal and interest payments of \$1,939 commencing October 3, 2014 and one final payment of all outstanding liabilities on September 3, 2019. Interest accrues on unpaid balances at a rate of 7% per annum.

(Continued)

CITY OF BERWYN, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Accounts Receivable: The accounts receivable as disclosed on the government-wide financial statements were comprised of the following:

<u>Description</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Ambulance	\$ 4,440,883	\$ -
Utility billings	-	5,981,914
Allowance for uncollectible	(3,918,592)	(577,009)
Franchise fees	93,329	-
Other	<u>1,357,780</u>	<u>3,619</u>
Total	<u>\$ 1,973,400</u>	<u>\$ 5,408,524</u>

Unavailable/Unearned Revenue: Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are unavailable and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

<u>Unavailable:</u>	
Subsequent year's tax levy	\$ <u>27,977,206</u>
<u>Unearned:</u>	
CDBG loan program	2,795,390
Grants	12,500
TIF repayment agreement	9,692
Cell tower lease fees	1,050
BDC loan late fees	<u>29,281</u>
Total Unearned Revenue	<u>2,847,913</u>
Total	<u>\$ 30,825,119</u>

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Capital Assets**

Capital asset activity for the year ended December 31, 2013 was as follows:

<u>Primary Government</u>	<u>Balance January 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31</u>
Government activities				
Capital assets not being depreciated				
Land	\$ 10,002,147	\$ -	\$ -	\$ 10,002,147
CIP	<u>2,101,038</u>	<u>198,887</u>	<u>2,212,242</u>	<u>87,683</u>
Total Capital Assets Not Being Depreciated	<u>12,103,185</u>	<u>198,887</u>	<u>2,212,242</u>	<u>10,089,830</u>
Capital assets being depreciated				
Vehicles	6,730,798	697,032	242,778	7,185,052
Equipment	2,704,911	266,435	247,661	2,723,685
Land improvements	8,504,267	1,803,337	-	10,307,604
Buildings	15,349,188	328,938	-	15,678,126
Infrastructure	<u>54,137,377</u>	<u>377,546</u>	<u>13,239</u>	<u>54,501,684</u>
Total Capital Assets Being Depreciated	<u>87,426,541</u>	<u>3,473,288</u>	<u>503,678</u>	<u>90,396,151</u>
Less accumulated depreciation for				
Vehicles	3,628,656	485,764	242,778	3,871,642
Equipment	1,529,869	180,662	230,686	1,479,845
Land improvements	2,472,033	321,182	-	2,793,215
Buildings	4,141,758	376,861	-	4,518,619
Infrastructure	<u>32,026,978</u>	<u>2,298,757</u>	<u>12,837</u>	<u>34,312,898</u>
Total Accumulated Depreciation	<u>43,799,294</u>	<u>3,663,226</u>	<u>486,301</u>	<u>46,976,219</u>
Total Capital Assets Being Depreciated, Net	<u>43,627,247</u>	<u>(189,938)</u>	<u>17,377</u>	<u>43,419,932</u>
Total Government Activities	<u>\$ 55,730,432</u>	<u>\$ 8,949</u>	<u>\$ 2,229,619</u>	<u>\$ 53,509,762</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

<u>Function</u>	<u>Amount</u>
Government Activities	
General government	\$ 105,798
Public safety	665,137
Public works	2,670,428
Economic development	38,698
Culture and recreation	<u>183,165</u>
Total Government Activities	<u>\$ 3,663,226</u>

(Continued)



CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

<u>Primary Government</u>	<u>Balance January 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31</u>
<b>Business-type Activities</b>				
Capital assets not being depreciated				
Land	\$ 24,600	\$ -	\$ -	\$ 24,600
CIP	<u>87,633</u>	<u>124,205</u>	<u>87,633</u>	<u>124,205</u>
Total Capital Assets Not Being Depreciated	<u>112,233</u>	<u>124,205</u>	<u>87,633</u>	<u>148,805</u>
Capital assets being depreciated				
Vehicles	222,668	109,222	-	331,890
Land improvements	251,291	-	-	251,291
Buildings	11,203,924	-	-	11,203,924
Equipment	137,343	-	-	137,343
Infrastructure	<u>112,460,054</u>	<u>1,447,421</u>	<u>-</u>	<u>113,907,475</u>
Total Capital Assets Being Depreciated	<u>124,275,280</u>	<u>1,556,643</u>	<u>-</u>	<u>125,831,923</u>
Less accumulated depreciation for				
Vehicles	142,461	24,321	-	166,782
Land improvements	242,342	8,949	-	251,291
Buildings	1,095,951	233,267	-	1,329,218
Equipment	34,335	13,734	-	48,069
Infrastructure	<u>86,215,073</u>	<u>3,573,309</u>	<u>-</u>	<u>89,788,382</u>
Total Accumulated Depreciation	<u>87,730,162</u>	<u>3,853,580</u>	<u>-</u>	<u>91,583,742</u>
Total Capital Assets Being Depreciated, Net	<u>36,545,118</u>	<u>(2,296,937)</u>	<u>-</u>	<u>34,248,181</u>
 Total Business-Type Activities	 <u>\$ 36,657,351</u>	 <u>\$ (2,172,732)</u>	 <u>\$ 87,633</u>	 <u>\$ 34,396,986</u>

Depreciation expense was charged to functions/programs of the business-type activities as follows:

<u>Function</u>	<u>Amount</u>
Business-Type Activities	
Utilities	\$ 3,620,349
Parking garage	<u>233,231</u>
Total Business-Type Activities	<u>\$ 3,853,580</u>

(Continued)

CITY OF BERWYN, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2013

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Interfund Disclosures**

Due To/From Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
<u>Major Governmental Funds</u>			
General Fund	CDGB	\$ 813,103	Exp. reimbursement
General Fund	Police seizure	63,486	Exp. reimbursement
General Fund	NSP	82,481	Exp. reimbursement
General Fund	Roosevelt TIF	265,175	Exp. reimbursement
General Fund	Ogden Ave. TIF	440,426	Exp. reimbursement
General Fund	Utilities Fund	1,959,303	Exp. reimbursement
General Fund	Cermak TIF	92,737	Exp. reimbursement
General Fund	South Berwyn TIF	243,103	Exp. reimbursement
General Fund	Library	70,232	Exp. reimbursement
General Fund	MFT	996,393	Exp. reimbursement
Debt Service	General Fund	508,209	Tax collections
<u>NonMajor Governmental Funds</u>			
Grants Fund	General Fund	48,417	Revenue collections
Capital Bond Fund	General Fund	81,467	Exp. reimbursement
Infrastructure Bond	General Fund	<u>18,727</u>	Cash held
Total Governmental Funds		5,683,259	
Parking Garage	General Fund	402,009	Permit revenues
Internal Service Fund	General Fund	<u>4,038,442</u>	Reimburse claims
 Total		 <u>\$10,123,710</u>	

All interfund balances are expected to be repaid during 2014.

Due To/From Fiduciary Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
Police Pension	General Fund	\$ 23,409	Tax collections
Fire Pension	General Fund	<u>24,416</u>	Tax collections
 Total		 <u>\$ 47,825</u>	

These interfunds are related to tax collections received in January or February and remitted to the fiduciary funds in January or February. All of these interfunds will be repaid during 2014.

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Transfers: Transfers between funds during the year were as follows:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
<u>Major Governmental Funds</u>			
General Fund	Emergency 911	\$ 200,000	Reimbursement of salaries
General Fund	Grants Fund	21,179	Reimbursement of expenditures
General Fund	MFT	<u>310,000</u>	Reimbursement of salaries
Total General Fund		<u>531,179</u>	
Debt Service Fund	Roosevelt Road TIF	279,169	Debt service
Debt Service Fund	Ogden Avenue TIF	410,000	Debt service
Debt Service Fund	South Berwyn TIF	<u>401,824</u>	Debt service
Total Debt Service Fund		<u>1,090,993</u>	
<u>NonMajor Governmental Funds</u>			
CDBG Fund	General Fund	605,063	Reimbursement of program expenditures
Capital Bond Fund	Grants Fund	81,100	Reimbursement of expenditures
Capital Bond Fund	Roosevelt Road TIF	<u>228,986</u>	Reimbursement of tif related expenditures
Total NonMajor Governmental Funds		<u>915,149</u>	
 Total		 <u>\$ 2,537,321</u>	

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Long-Term Obligations**

Long-term obligations activity for the year ended December 31, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities</u>					
Bonds and notes payable					
General obligation debt	\$ 99,469,861	\$ 36,130,421	\$ 4,060,000	\$ 131,540,282	\$ 3,720,000
Installment notes payable	930,963	-	193,951	737,012	155,161
Mortgage notes payable	2,596,551	-	236,709	2,359,842	241,484
Unamortized premiums (discounts)	<u>1,023,171</u>	<u>170,408</u>	<u>256,905</u>	<u>936,674</u>	<u>-</u>
Total Bonds and Notes Payable	104,020,546	36,300,829	4,747,565	135,573,810	4,116,645
Other liabilities					
Capital leases	367,195	260,532	188,604	439,123	162,873
Claims payable	3,545,826	1,387,112	1,401,390	3,531,548	759,666
Net pension obligation	7,250,238	4,704	7,030,586	224,356	-
Net OPEB obligation	1,052,856	-	131,350	921,506	-
IMRF early retirement liability	584,393	-	111,383	473,010	-
Compensated absences	<u>3,818,998</u>	<u>1,181,139</u>	<u>831,232</u>	<u>4,168,905</u>	<u>990,248</u>
Total Other Liabilities	<u>16,619,506</u>	<u>2,833,487</u>	<u>9,694,545</u>	<u>9,758,448</u>	<u>1,912,787</u>
Total Governmental Long-Term Obligations	<u>\$ 120,640,052</u>	<u>\$ 39,134,316</u>	<u>\$ 14,442,110</u>	<u>\$ 145,332,258</u>	<u>\$ 6,029,432</u>
<u>Business-Type Activities</u>					
General obligation debt	\$ 2,946,288	\$ -	\$ 135	\$ 2,946,153	\$ -
Net pension obligation	23,311	493	-	23,804	-
Compensated absences	<u>78,705</u>	<u>23,226</u>	<u>22,416</u>	<u>79,515</u>	<u>25,874</u>
Total Business-Type Long Term Obligations	<u>\$ 3,048,304</u>	<u>\$ 23,719</u>	<u>\$ 22,551</u>	<u>\$ 3,049,472</u>	<u>\$ 25,874</u>

**General Obligation Bonds:** The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund general obligation bonds. All general obligation debt is backed by the full faith and credit of the City. Bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Bonds in the proprietary funds will be retired by utility revenues.

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

General obligation bonds currently outstanding are as follows:

	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount</u>	<u>Balance 12/31/2013</u>
<u>Governmental Activities</u>					
General obligation debt					
Corporate purpose	8/15/2007	5.00%	12/1/2027	\$ 28,165,000	\$ 28,165,000
	10/9/2008	4.30-5.00%	12/1/2028	7,830,000	7,830,000
	10/29/2009	4.75%	12/1/2029	5,165,000	5,165,000
	12/30/2009	3.00-4.00%	12/1/2018	7,720,000	7,720,000
	10/28/2010	2.00-5.00%	12/1/2030	9,150,000	8,700,000
	10/27/2011	4.50%	12/1/2031	5,230,000	5,230,000
	11/20/2012	3.25-3.38%	12/1/2032	8,500,000	8,500,000
	11/7/2013	5.00%	12/1/2027	5,705,000	5,705,000
Capital appreciation bonds	4/3/2002	3.00-5.25%	12/1/2016	1,335,140	1,120,282
Refunding bonds	3/4/2004	2.00-5.00%	12/1/2014	19,710,000	1,660,000
Taxable bonds	8/15/2007	5.62-5.71%	12/1/2022	21,395,000	21,395,000
	10/31/2013	3.55-5.30%	12/1/2023	30,350,000	30,350,000
Total Governmental Activities General Obligation Debt					<u><u>\$131,540,282</u></u>
<u>Business-type Activities</u>					
General obligation debt					
Corporate purpose	10/28/2010	2.00-5.00%	12/1/2029	\$ 850,000	\$ 850,000
	10/27/2011	4.50%	12/1/2031	2,095,000	2,095,000
Total Business-Type Activities General Obligation Debt					<u><u>\$ 2,945,000</u></u>

The City reviews federal arbitrage requirements annually and has determined that no liability for rebatable arbitrage exists at December 31, 2013.

Installment Notes Payable: The City entered into a \$1,939,507 loan on April 10, 2006 for the purchase of certain real property and program costs. The balance of the financed amount is due in quarterly installments, including variable interest at 6.00%. The total amount outstanding under the agreement at December 31, 2013 was \$737,012. Principal payments made in 2013 totaled \$193,951. Debt service on the agreement is an expenditure of the South Berwyn Corridor TIF Fund.

Mortgage Notes Payable: The City entered into a \$4,000,000 loan on December 6, 2010 for the purchase of certain real property. Interest is payable in quarterly installments at a fixed rates of 2%. The principal is due in full at the maturity date of December 6, 2014. However, there is a one-year renewal provision on substantially the same terms provided that there are no events of default and that the City has not conveyed title to the property securing the note. After the first renewal, there is a provision for an additional renewal for 60 months with monthly principal and interest payments based on either 1) a 10-year amortization schedule with a balloon payment after 60 months if the property is still owned by the City or 2) a 60 month amortization schedule if the property is no longer owned by the City. The City intends to exercise the renewal options and therefore the note is being reported as long term in the financial statements. The total amount outstanding under the agreement at December 31, 2013 was \$2,359,842. Principal payments made in 2013 totaled \$236,709. Debt service on the agreement is an expenditure of the Ogden Avenue TIF Fund.

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Debt Service Requirements: Debt service requirements to maturity for general obligation debt (excluding capital appreciation bonds) are as follows:

	Governmental Activities General Obligation Debt		Business-Type Activities General Obligation Debt	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 3,305,000	\$ 6,299,336	\$ -	\$ 119,588
2015	3,500,000	5,993,267	-	119,588
2016	3,655,000	5,847,722	100,000	119,588
2017	3,815,000	5,686,392	125,000	116,588
2018	19,325,000	5,505,149	150,000	112,525
2019-2023	38,890,000	21,337,255	1,050,000	464,500
2024-2028	34,825,000	10,062,663	1,100,000	248,250
2029-2032	<u>23,105,000</u>	<u>2,400,601</u>	<u>420,000</u>	<u>29,073</u>
Total	<u>\$ 130,420,000</u>	<u>\$ 63,132,385</u>	<u>\$ 2,945,000</u>	<u>\$ 1,329,700</u>

The annual requirements to amortize to maturity capital appreciation bonds outstanding as of December 31, 2013 are as follows:

	Interest	
	<u>Principal</u>	<u>Accretion</u>
2014	\$ 415,000	\$ 58,577
2015	410,000	40,203
2016	415,000	20,938
Total	<u>\$ 1,240,000</u>	<u>\$ 119,718</u>

Increases to general obligation debt in 2013, include the current year interest accretion for capital appreciation bonds of \$75,421 and the issuance of the 2013A and 2013B General Obligation Bonds of \$5,705,000 and \$30,350,000, respectively.

The annual requirements to maturity for installment notes payable are as follows:

	Governmental Activities Installment Notes Payable	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 396,645	\$ 86,344
2015	401,589	72,092
2016	406,530	57,842
2017	411,778	43,284
2018	378,240	28,722
2019-2022	<u>1,102,072</u>	<u>46,264</u>
Total	<u>\$ 3,096,854</u>	<u>\$ 334,548</u>

(Continued)

CITY OF BERWYN, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the General Fund.

Capital Leases - Lessee: The City entered into a lease financing agreement in April 2008 for the purchase of two ambulances which are included in capital assets of the governmental activities. The balance of the financed amount is due in annual installments, including interest at 3.8%. The total amount outstanding under the agreement at December 31, 2013 was \$0. Principal payments made in 2013 totaled \$20,334. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$151,152 lease financing agreement in March 2008 for the purchase of a street sweeper which is included in capital assets of the governmental activities. The balance of the financed amount is due in monthly installments, including interest at 3.81%. The total amount outstanding under the agreement at December 31, 2013 was \$0. Principal payments made in 2013 totaled \$5,516. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$430,594 lease financing agreement in August 2008 for the purchase of a fire truck which it took delivery of in 2009 and which is included in capital assets of the governmental activities. The balance of the financed amount is due in annual installments, including interest at 5.15%. The total amount outstanding under the agreement at December 31, 2013 was \$137,283. Principal payments made in 2013 totaled \$63,641. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$230,288 lease financing agreement in February 2011 for the purchase of two ambulances which are included in the capital assets of the governmental activities. The balance of the financed amount is due in annual installments, including interest at 3.38%. The total amount outstanding under the agreement at December 31, 2013 was \$95,189. Principal payments made in 2013 totaled \$45,233. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$260,532 lease financing agreement in January 2013 for the purchase of two ambulances which are included in the capital assets of the governmental activities. The balance of the financed amount is due in annual installments, including interest at 3.26%. The total amount outstanding under the agreement at December 31, 2013 was \$206,651. Principal payments made in 2013 totaled \$53,881. Debt service on the agreement is an expenditure of the General Fund.

The assets acquired through capital lease, all of which are for governmental activities, are as follows:

<u>Asset</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Vehicles	\$1,289,844	\$536,482	\$753,362

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2013, are as follows:

	Governmental Activities General Obligation Debt	
	Governmental Activities Capital Leases Payable	
	Principal	Interest Accretion
2014	\$ 162,873	\$ 16,770
2015	169,558	10,084
2016	52,477	3,536
2017	54,215	1,797
Total	\$ 439,123	\$ 32,187

Net Pension Obligation and Net OPEB Obligation: The net pension obligation and net Other Post-Employment Benefits (OPEB) obligation are based on actuarial valuations as detailed in Note 3.H. and Note 3.I., respectively. The net pension obligation has typically been liquidated by property taxes levied in the general fund. The net OPEB obligation has typically been liquidated with general fund revenues.

Legal Debt Margin: The City is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution 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 an aggregate of one percent: . . . 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.

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(Continued)



CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Advance and Current Refundings:

*Current Year Refunding of Debt*

On November 7, 2013, the City issued \$5,705,000 in tax-exempt bonds with an average interest rate of 5.00% a portion of which was used to currently refund a portion of the bonds listed below:

<u>Series</u>	<u>Principal Refunded</u>	<u>Interest Refunded</u>	<u>Total</u>
2002A	\$ 230,502	\$ 179,498	\$ 410,000
2002B	510,000	12,853	522,853
2004	2,990,000	116,250	3,106,250
2007A	-	704,125	704,125
2008	-	180,136	180,136
2009 (Oct)	-	122,669	122,669
2009 (Dec)	-	139,425	139,425
2010	150,000	229,984	379,984
2011	-	158,844	158,844
2012	-	30,967	30,967
	<u>                  </u>	<u>                  </u>	<u>                  </u>
Total	<u>\$ 3,880,502</u>	<u>\$ 1,874,751</u>	<u>\$ 5,755,253</u>

The cash flow requirements on the refunded bonds prior to the refunding was \$5,755,253 in 2013. The cash flow requirements on the portion of the 2013 tax exempt bonds used to refund the bonds are \$9,441,517 from 2014 through 2027. The City refunded this debt in order to restructure the annual debt service payments and meet short term cash needs. The economic gain or loss related to this refunding is minimal.

Unamortized Loss on Refunding: Deferred amounts on refunding arise from advance refunding of debt. The difference between the cost of the securities placed in trust for future payment of refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deduction from debt payable in the government-wide and proprietary fund statements. Amortization for 2013 was \$227,145 which is reported in the governmental activities. The balance of the unamortized loss at December 31, 2013, was \$224,471, which is reported as a deferred outflow on the Statement of Net Position.

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(Continued)

CITY OF BERWYN, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**Noncommitment Debt - Conduit Debt:** The City has issued Industrial Development Revenue Bonds (IDRBs) to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial improvements deemed to be in the public interest. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of December 31, 2013, there was one series of IDRBs outstanding. The aggregate principal amount payable for the IDRBs outstanding as of December 31, 2013 was \$841,029.

**F. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters for which the City carries commercial insurance. The City has established a limited self-insurance program for workers' compensation and liability claims. The City is self-insured for the first \$500,000 for liability claims and \$650,000 for workers' compensation claims. Commercial insurance is carried for amounts in excess of the self-insured amounts. There has been no significant reduction in coverage in any program from coverage in the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current or three prior years. The City's self-insurance activities are reported in the Self-Insurance Retention Fund which is an internal service fund.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Reported liabilities are actuarially determined and include an amount for claims that have been incurred but not reported. The total claims liability as of December 31, 2013 was \$3,531,048 and is recorded as a portion of the noncurrent liabilities balance for governmental activities.

The City has purchased insurance from private insurance companies for employee health insurance. Risks covered include medical, dental, and other. Premiums have been displayed as expenditures/expenses in appropriate funds. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current or the three prior years.

A reconciliation of claims liability for the current year and that of the preceding year follows:

		<u>Beginning</u> <u>Balance</u>	<u>Incurred</u> <u>Claims</u>	<u>Claims</u> <u>Paid/</u> <u>Settled</u>	<u>Ending</u> <u>Balance</u>
2012	\$	4,840,917	\$ 1,196,839	\$ (2,491,930)	\$ 3,545,826
2013		3,545,826	1,387,112	(1,401,390)	3,531,548

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(Continued)

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**G. Contingent Liabilities**

Litigation: The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City Attorney, the resolution of these matters will not have a material adverse effect on the financial statements of the City.

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 additional expenditures that may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Home Equity Assurance Program: In prior years the City allowed its residents to participate in a Home Equity Assurance Program wherein residents' home market values were guaranteed by the City not to depreciate. Each participating resident, after submitting an appraisal along with the application and appropriate fee, received a Certificate of Participation. There is no expiration date on the Certificates. Given the current real estate market in the City, the City has determined that it has no exposure to liability related to this program as of the date of this report.

Loan Guarantees - Berwyn Development Corporation (BDC): During 2013, BDC maintained agreements with seven local financial institutions establishing a \$4,200,000 line of credit to fund community renovation and business investment projects. The balance drawn under this credit line as of December 31, 2013 is \$2,287,112. Of this balance, \$737,012 is reported as installment notes payable within the City's long-term obligations as these loans were made to the City. The City is the guarantor of amounts drawn under this line of credit.

**H. Other Postemployment Benefits (OPEB)**

Plan Description: The City offers postemployment health care benefits in accordance with ILCS, labor contracts and the personnel policy manual of the City. All employees who are eligible to receive a monthly pension benefit from one of the City's pension plans are eligible to purchase postretirement health care benefits. Qualified dependents of eligible retirees may also continue to be covered by the City's plan. The retiree pays 100% of the cost each month for retiree health insurance premiums. Additionally, public safety officers who qualify for duty disability have their health insurance paid by the City for the remainder of their life. Finally, the City will pay 50% of the single HMO premium for police officers who retire from January 1, 2009, through December 31, 2011, until they reach age 65. The City funds these postemployment benefits on a pay-as-you-go basis; accordingly, no liability is recognized within the fund financial statements. However, a liability is recorded for the unfunded liability on the government-wide financial statements on a go forward basis beginning in January 1, 2007 as allowed under GASB Statement No. 45. A separate, audited GAAP-basis postemployment benefit plan report is not available.

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Eligibility for these benefits as of December 31, 2013 was as follows:

<u>Membership</u>	<u>Participants</u>
Retirees and beneficiaries currently receiving benefits	42
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	198
Nonvested	<u>154</u>
Total	<u><u>394</u></u>

Actuarial Assumptions and Methods:

Actuarial valuation date	December 31, 2013
Actuarial cost method	Entry-age
Asset valuation method	Market
Amortization method	Level Percentage of Pay, open
Remaining amortization period	30 Years
Rate of return on (includes inflation at 3.0%)	4.0%
Projected healthcare inflation rate	7.5% initial and 5.5% ultimate
Percentage of employees assumed to elect benefit	Police & Fire 100%; IMRF 20.0%

**Net OPEB Obligation**

The City's annual OPEB cost and net OPEB obligation (asset) for the year ended December 31, 2013 was as follows:

Annual required contributions	\$ 210,017
Interest on net OPEB obligation	42,114
Adjustment to annual required contribution	<u>(35,095)</u>
Annual OPEB cost	217,036
Contributions made	<u>348,386</u>
Increase in net OPEB obligation	(131,350)
Net OPEB obligation beginning of year	<u>1,052,856</u>
Net OPEB obligation end of year	<u><u>\$ 921,506</u></u>

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**Trend Information**

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

	<u>2011</u>	<u>2012</u>	<u>2013</u>
Annual OPEB cost	\$ 748,654	\$ 229,545	\$ 217,036
Actual contribution	362,031	348,386	348,386
Percentage of annual OPEB cost contributed	48.40%	151.80%	160.50%
Net OPEB obligation	1,171,697	1,052,856	921,506

**Funded Status and Funding Progress**

The funded status and funding progress of the plan as of December 31, 2013 was as follows:

Actuarial accrued liability	\$ 7,352,332
Actuarial value of assets	-
Unfunded actuarial accrued liability (UAL)	7,352,332
Funded ratio	0.00%
Covered payroll	27,299,000
UAAL as a percentage of covered payroll	26.9%

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 revisions 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.

**I. Defined Benefit Pension Plans**

Plan Descriptions: The City contributes to four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF) and Sheriff's Law Enforcement Personnel (SLEP) which is affiliated with IMRF, an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for the Police and Firefighters' Pension Plans are governed by ILCS and can only be amended by the Illinois General Assembly. The Police and Firefighters' Pension Plans issue separate reports on the pension plans and are available for inspection at City Hall. IMRF and SLEP benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF and SLEP issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. The report can be obtained online at [www.imrf.org](http://www.imrf.org).

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

*Illinois Municipal Retirement Fund*

All employees (other than those covered by the Police or Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 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.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the year ended December 31, 2013 was 13.76% of covered payroll. The employer annual required contribution rate for calendar year 2013 was 13.76%.

*Sherriff's Law Enforcement Personnel*

Sherriff's law enforcement personnel having accumulated at least 20 years of SLEP service may elect to retire at or after age 50 and receive an annual retirement benefit, payable monthly for life. The plan also provides death and disability benefits. Participating members are required to contribute 7.5% of their annual salary to SLEP. The City is required to contribute at an actuarially determined rate. The employer contribution rate for the year ended December 31, 2013 was 11.08% of covered payroll. The employer annual required contribution rate for calendar year 2013 was 11.08%.

*Police Pension Plan*

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by ILCS (Chapter 40 - Article 5/3) and may be amended only by the Illinois legislature. Administrative costs are financed through investment earnings. The City accounts for the plan as a pension trust fund.

At December 31, 2013, the Police Pension Plan membership consisted of:

<u>Membership</u>	<u>Participants</u>
Retirees and beneficiaries currently receiving benefits	75
Terminated employees entitled to benefits but not yet receiving them	1
Current employees	
Vested	62
Nonvested	<u>44</u>
Total	<u>182</u>

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(Continued)

CITY OF BERWYN, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 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 pension shall be increased by 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases every year thereafter.

Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty, or otherwise the greater of 50% of final salary or the employee's retirement benefit. Employees disabled in the line of duty receive 65% of final salary.

The monthly pension of a police officer hired before January 1, 2011, 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 3.00% of the original pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as 3.00% of the amount of the pension payable at the time of the increase. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3.00% or ½ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2012, by the year 2040, the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 100% funded. For the year ended December 31, 2013, the City's contribution was 193.40% of covered payroll.

*Firefighters' Pension Plan*

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by ILCS (Chapter 40 - Article 5/4) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. At December 31, 2013, the Firefighters' Pension Plan membership consisted of:

<u>Membership</u>	<u>Participants</u>
Retirees and beneficiaries currently receiving benefits	74
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	40
Nonvested	<u>42</u>
Total	<u><u>156</u></u>

(Continued)

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank held on the last day of service. The pension shall be increased by 1/12 of 2.50% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.50% of final average salary for each year of service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum cap increases each year thereafter.

Surviving spouses receive 100% of the final salary for fatalities resulting from an act of duty, or otherwise the greater of 54% of final salary or the monthly retirement pension that the deceased firefighter was receiving at the time of death. Surviving children received 12% of final salary. The maximum family survivor benefit is 75% of final salary. Employees disabled in the line of duty receive 65% of final salary.

The monthly pension of a firefighter hired before January 1, 2011, 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. The monthly pension of a firefighter hired on or after January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit.

Covered employees are required to contribute 9.455% of their salary to the Firefighters' 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 City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2012, the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 100% funded by the year 2040. For the year ended December 31, 2013 the City's contribution was 261.80% of covered payroll.

Summary of Significant Accounting Policies and Plan Asset Matters: The costs of administering the Police and Firefighters' Pension Plans are financed through employer and employee contributions.

The benefits and refunds of the Police and Firefighters' Pension Plans are recognized when due and payable in accordance with the terms of the Police and Firefighters' Pension Plans.



CITY OF BERWYN, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2013

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Annual Pension Cost

	Illinois Municipal Retirement Fund	Sheriff's Law Enforcement Personnel	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2011	December 31, 2011	December 31, 2013	December 31, 2013
Actuarial cost method	Entry-age Normal	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	5 Year Smoothed Market	5 Year Smoothed Market	Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Remaining amortization period	30 Years, Opened	30 Years, Opened	27 Years, Closed	27 Years, Closed
Significant actuarial assumptions				
(a) Rate of return on present and future assets	7.50% Compounded Annually	7.50% Compounded	6.75% Compounded Annually	6.50% Compounded Annually
(b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	4.00% Compounded Annually	5.25%-15.00%* Compounded Annually	5.00%* Compounded Annually
(c) Additional projected salary increases - seniority/merit	0.40%-10%	0.40%-10%	0.00%	0.00%
(d) Post-retirement benefit increases	3.00%	3.00%	3.00%	3.00%
* Increase includes inflation at:			3.00%	3.00%

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**Net Pension Obligation:** The City's annual pension cost and net pension obligation (asset) for the year ended December 31, 2013 were as follows:

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Illinois Municipal Retirement Fund</u>	<u>Sheriff's Law Enforcement Personnel</u>
Annual required contributions	\$ 4,423,550	\$ 4,065,776	\$ 1,182,953	\$ 14,812
Interest on net pension obligation	244,004	222,020	17,929	293
Adjustment to annual required contribution	<u>(191,739)</u>	<u>(156,311)</u>	<u>(12,816)</u>	<u>(210)</u>
Annual pension cost	4,475,815	4,131,485	1,188,066	14,895
Contributions made	<u>17,432,504</u>	<u>17,539,449</u>	<u>1,182,953</u>	<u>14,812</u>
Increase (decrease) in net pension obligation	(12,956,689)	(13,407,964)	5,113	83
Net pension obligation beginning of year	<u>3,614,891</u>	<u>3,415,695</u>	<u>239,055</u>	<u>3,909</u>
Net pension obligation (asset) end of year	<u>\$ (9,341,798)</u>	<u>\$ (9,992,269)</u>	<u>\$ 244,168</u>	<u>\$ 3,992</u>

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

	<u>Fiscal Year</u>	<u>Illinois Municipal Retirement Fund</u>	<u>Sheriff's Law Enforcement Personnel</u>	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Annual pension cost (APC)	2011	\$ 1,064,314	\$ 16,674	\$ 3,540,531	\$ 3,549,221
	2012	1,089,509	12,495	3,970,013	3,911,143
	2013	1,188,066	14,895	4,475,815	4,131,485
Actual contribution	2011	\$ 975,285	\$ 16,594	\$ 2,443,805	\$ 2,544,473
	2012	1,079,673	12,413	2,440,664	2,549,376
	2013	1,182,953	14,812	17,432,504	17,539,449
Percentage of APC contributed	2011	91.64%	99.52%	69.02%	71.69%
	2012	99.10%	99.34%	61.48%	65.18%
	2013	99.57%	99.44%	389.48%	424.53%
NPO (Asset)	2011	\$ 229,219	\$ 3,827	\$ 2,085,542	\$ 2,053,927
	2012	239,055	3,909	3,614,891	3,415,695
	2013	244,168	3,992	(9,341,798)	(9,992,269)

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Funded Status and Funding Progress

The funded status of the plans as of December 31, 2013 is as follows :

	Illinois Municipal Retirement Fund	Sheriff's Law Enforcement Personnel	Police Pension	Firefighters' Pension
Percent Funded	80.50%	101.42%	59.08%	45.67%
Actuarial Accrued Liability	\$23,999,335	\$189,173	\$102,232,145	\$81,615,391
Actuarial Value of Assets	\$19,320,222	\$191,866	\$60,402,429	\$37,273,459
Unfunded Actuarial Accrued Liability	\$4,679,113	\$(2,693)	\$41,829,716	\$44,341,392
Covered Payroll	\$8,597,041	\$133,680	\$9,013,759	\$6,699,519
Ratio of the UAAL to Covered Payroll	54%	None	464%	662%

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

In past years the City has allowed individual employees to retire early through IMRF and has funded the purchase of this option. The payments for these 12 early retirees are being made on an annual basis of 1.80% of the City's payroll to the IMRF system. This liability accrues interest at varying annual rates, 7.5% for 2013. The outstanding balance of \$473,010 is recorded as a noncurrent liability within the government-wide financial statements.

**J. Short-Term Debt**

The City has a \$2 million revolving line of credit with its bank at an interest rate of 1% less than the prime rate of the Wall Street Journal. The line of credit was established to meet the City's working cash needs in the event of unforeseen emergencies or delays in the receipt of tax payments. At December 31, 2013 and throughout the year, no amounts were drawn against the line of credit.

**K. Prior Period Adjustment**

At January 1, 2013, the fund balance of the NSP Fund was increased by \$185,064 to record grant revenue in the proper period. The net position of Governmental Activities also increased by \$185,064 at January 1, 2013.

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(Continued)

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**L. Component Unit - Berwyn Development Corporation (BDC)**

Summary of Significant Accounting Policies: The purpose of the BDC is to serve the residents of the City as a charitable and educational organization by facilitating community development via forums to engage both residents and businesses for long-term economic planning.

The BDC's primary functions are:

- (1) to encourage communication between the local business community, various business organizations, government officials, educational and recreational bodies, civic and ethnic groups, local service providers, and the community residents as a resource planning group for the purpose of identifying community problems and facilitating constructive solutions.
- (2) to produce and publish material designed to educate residents about community resource and development issues and to promote community spirit and cooperation among the various ethnic and cultural parts of the City.
- (3) to encourage local businesses and area residents to renovate and improve private property within the community so as to counteract the natural deterioration of the homes and commercial properties due to age and use.
- (4) to develop plans and resources intended to improve the overall economic conditions of the City and to encourage local business and employment opportunities.

The BDC is exempt from Federal income taxes under the provisions of IRC code section 501(c)(3); however, it remains subject to the payment of income taxes on net earnings from unrelated business income.

Method of Accounting: The financial statements of the BDC have been prepared on the accrual basis of accounting where revenues and expenses are recognized when earned or incurred.

Cash Equivalents: Cash equivalents consist of all highly liquid investments with a maturity of three months or less when purchased.

Leasehold Improvements, Furniture and Equipment: Leasehold improvements, furniture, equipment and computer software are stated at their historic costs. Depreciation is computed using a straight-line method over the estimated economic useful asset life of five years for leasehold improvements, three years for computer software and seven years for furniture and equipment. Depreciation expense for the year ended December 31, 2013 amounted to \$9,891. During the year, the BDC retired \$11,105 of property and recorded a net loss of \$415 thereon. The BDC expended \$6,513 for asset purchases in 2013.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amount of asset and liability accounts and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could vary from the estimates that were used.

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Cash and Investments: The BDC's cash and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>Associated Risks</u>
Demand deposits	\$ 1,446,351	\$ 1,446,351	Custodial credit risk
Total	<u>\$ 1,446,351</u>	<u>\$ 1,446,351</u>	

The BDC does not have an investment policy.

Custodial Credit Risk: Deposits - Custodial credit risk for is the risk that in the event of bank failure, the City's deposits may not be returned to it.

As of December 31, 2013, \$1,196,351 of the BDC's demand deposits were uninsured and uncollateralized.

Notes Receivable: There are currently nine notes funded through the line of credit including one from the City payable from the South Berwyn Corridor TIF with a balance at December 31, 2013 of \$737,012. Notes receivable have a gross value of \$2,128,509 at December 31, 2013. No provision for loan losses has been established because the fair market value of the various collateral is in excess of the related mortgage note balances with the exception of the amounts due from the City. Payments are applied to interest due and late fees before principal. Payments are past due ten days after the due date and will result in a late fee of 5% of total monthly payment. Note receivable detail is as follows:

<u>Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Frequency</u>	<u>Due</u>
Prime + 1%	9/30/2018	\$38,790 + Int.	Quarterly	\$ 737,012
Prime - 0.5%	6/11/2013	On demand	-	124,304
Prime - 0.5%	10/26/2015	3,035	Monthly	63,973
Prime	4/24/2019	3,236	Monthly	181,429
Prime + 1%	10/28/2018	1,554	Monthly	76,352
Prime + 2%	7/16/2015	3,175	Monthly	377,965
Prime + 2%	3/11/2016	1,760	Monthly	211,822
Prime + 2%	3/1/2018	387	Monthly	48,973
Prime + 2%	8/29/2018	1,273	Monthly	163,240
Prime + 2%	9/11/2016	1,127	Monthly	143,439
Total				<u>\$ 2,128,509</u>

The Corporation took title to real estate held as collateral to a loan that was written off to the City of Berwyn loan pool during 2013. The Corporation is attempting to collect all funds related to this receivable once the sale of the real estate is possibly completed during 2014, however it is possible that the full amount of \$240,000 may not be recovered.

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(Continued)

CITY OF BERWYN, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2013

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Long-Term Debt - Notes Payable: During 2013, the BDC maintained agreements with seven local financial institutions establishing a \$4,200,000 line of credit to fund community renovation and business investment projects. The balance of this credit line at December 31, 2013 is \$2,287,111. The City is the guarantor of this line of credit and has final approval of all loans funded under this program.

Maturities of long-term debt are as follows:

	<u>Principal</u>
2014	\$ 980,714
2015	-
2016	-
2017	979,944
2018-2019	<u>326,453</u>
Total	<u>\$ 2,287,111</u>

Lease Commitments: The BDC rents office space under a lease, which expires December 31, 2014. Total rent paid during 2013 was \$12,120. Terms of the lease are effective June 1, 2013. In addition, the BDC leases a copier under a noncancelable operating lease, which expires in 2017. Total lease expense in 2013 was \$18,418. Future minimum annual rental and lease payments are:

2014	\$ 27,915
2015	15,619
2016	15,709
2017	<u>9,163</u>
Total	<u>\$ 68,406</u>

Restricted Cash: The BDC controls cash escrow accounts for various entities with the purpose of being a control factor of necessary payments to third parties. In these cases, the BDC collects money from a community organization or business, holds the funds until a payment is due, then remits the payment to the third party on behalf of the community member. Although the BDC has signor privileges on the cash accounts, they do not take ownership of the money and, therefore, carry a liability equal to the escrow accounts to offset the carrying value.

Retirement Plan: The BDC has established a SIMPLE IRA retirement plan for all eligible employees who are not members of a collective bargaining unit, have attained age 21, and have at least one year of service. The plan provides that each participant may elect to defer up to the legal limits established by the Internal Revenue Service. The BDC will match an amount equal to the first 3%. Matching contributions were \$11,455 in 2013.

Activities with the City of Berwyn Funding Authorizations: BDC continues its cooperation with the City to bring low-interest lending assistance to local businesses. The BDC provides the required documentation and administers the loan program, as noted above. The BDC manages the City loan program and such loans are reported as part of the City's annual audit. The BDC also manages the tax incremental finance projects (TIF) within the City's four TIF Redevelopment Districts on behalf and for the benefit of the City.

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**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF BERWYN, ILLINOIS

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

For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Property taxes	\$ 20,481,906	\$ 20,481,906	\$ 20,548,629	\$ 66,723
Other taxes	16,656,000	16,656,000	17,434,105	778,105
Licenses and permits	2,902,400	2,902,400	3,143,853	241,453
Charges for services	1,423,250	1,423,250	1,743,419	320,169
Fines and forfeitures	4,765,000	5,015,000	5,351,665	336,665
Intergovernmental	102,000	102,000	106,709	4,709
Investment income	25,075	25,075	46,315	21,240
Miscellaneous	889,550	909,550	1,322,086	412,536
Total Revenues	<u>47,245,181</u>	<u>47,515,181</u>	<u>49,696,781</u>	<u>2,181,600</u>
<b>EXPENDITURES</b>				
Current				
General government	3,360,274	3,459,274	3,638,505	(179,231)
Public safety	35,999,144	66,110,644	65,675,879	434,765
Public works	5,805,152	5,805,152	5,452,533	352,619
Economic development	227,847	249,847	235,505	14,342
Culture and recreation	1,803,317	1,840,817	1,671,259	169,558
Debt Service				
Interest and fiscal charges	-	350,000	302,828	47,172
Total Expenditures	<u>47,195,734</u>	<u>77,815,734</u>	<u>76,976,509</u>	<u>839,225</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>49,447</u>	<u>(30,300,553)</u>	<u>(27,279,728)</u>	<u>3,020,825</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	2,500	2,500	4,953	2,453
Capital lease proceeds	-	-	260,532	260,532
Bond proceeds	-	30,350,000	30,350,000	-
Transfers in	540,000	540,000	531,179	(8,821)
Transfers (out)	<u>(355,519)</u>	<u>(355,519)</u>	<u>(605,063)</u>	<u>(249,544)</u>
Total Other Financing Sources (Uses)	<u>186,981</u>	<u>30,536,981</u>	<u>30,541,601</u>	<u>4,620</u>
NET CHANGE IN FUND BALANCE	<u>\$ 236,428</u>	<u>\$ 236,428</u>	3,261,873	<u>\$ 3,025,445</u>
FUND BALANCE, JANUARY 1			<u>6,799,371</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 10,061,244</u>	

See independent auditor's report.



CITY OF BERWYN, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
December 31, 2013

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Actuarial Valuation Date December 31	(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)
2008	\$ 10,771,058	\$ 14,892,557	72.33%	\$ 4,121,499	\$ 7,105,221	58.01%
2009	11,741,219	16,099,501	72.93%	4,358,282	7,181,322	60.69%
2010	13,095,843	17,504,140	74.82%	4,408,297	7,339,791	60.06%
2011	14,507,128	20,099,071	72.18%	5,591,943	8,040,270	69.55%
2012	16,540,272	21,480,659	77.00%	4,940,387	8,222,951	60.08%
2013	19,320,222	23,999,335	80.50%	4,679,113	8,597,041	54.43%

CITY OF BERWYN, ILLINOIS  
 SCHEDULE OF FUNDING PROGRESS  
 IMRF- SHERIFF'S LAW ENFORCEMENT PERSONNEL  
 December 31, 2013

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) (Overfunded) AAL (OAAL) (2) - (1)	(5) Covered Payroll	(OAAL) As a Percentage of Covered Payroll (4) / (5)
2008	\$ 66,709	\$ 38,039	175.37%	\$ (28,670)	\$ 112,946	0.00%
2009	81,808	64,397	127.04%	(17,411)	112,946	0.00%
2010	104,392	23,666	441.11%	(80,726)	123,676	0.00%
2011	132,600	48,775	271.86%	(83,825)	125,330	0.00%
2012	160,125	141,363	113.27%	(18,762)	125,769	0.00%
2013	191,866	189,173	101.42%	(2,693)	133,680	0.00%

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
POLICE PENSION FUND  
December 31, 2013

Actuarial Valuation Date January 1	(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)
2009	\$ 30,474,443	\$ 63,130,886	48.27%	\$ 32,656,443	\$ 7,900,326	413.36%
2010	33,184,738	72,189,978	45.97%	39,005,240	7,520,822	518.63%
2011	37,667,859	83,327,365	45.20%	45,659,506	8,688,623	525.51%
2012	39,847,842	90,667,731	43.95%	50,819,889	7,736,213	656.91%
2013	41,936,544	95,468,679	43.93%	53,532,135	8,548,730	626.20%
2014	60,402,429	102,232,145	59.08%	41,829,716	9,013,759	464.07%

- Actuarial evaluations were conducted for the years beginning 2009, 2010, 2011, 2012, 2013 and 2014

CITY OF BERWYN, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
 FIREFIGHTERS' PENSION FUND  
 December 31, 2013

Actuarial Valuation Date January 1	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL As a Percentage of Covered Payroll (4) / (5)
2009	\$ 19,155,476	\$ 52,322,912	36.61%	\$ 33,167,436	\$ 4,861,734	682.21%
2010	16,925,476	55,853,421	30.30%	38,927,945	5,074,057	767.20%
2011	19,533,664	59,934,286	32.59%	40,400,622	4,694,684	860.56%
2012	20,325,193	75,507,749	26.92%	55,182,556	5,891,725	936.61%
2013	20,747,206	80,055,650	25.92%	59,308,444	6,054,497	979.58%
2014	37,273,459	81,615,391	45.67%	44,341,932	6,699,519	661.87%

- Actuarial evaluations were conducted for the years beginning 2009, 2010, 2011, 2012, 2013 and 2014

CITY OF BERWYN, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT BENEFITS  
December 31, 2013

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Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL As a Percentage of Covered Payroll (4) / (5)
2008	\$ -	\$ 1,871,775	0.00%	\$ 1,871,775	\$ 4,861,734	38.50%
2009	-	1,871,775	0.00%	1,871,775	21,157,410	8.85%
2010	-	9,610,538	0.00%	9,610,538	21,671,118	44.35%
2011	-	4,267,414	0.00%	4,267,414	23,190,639	18.40%
2012	-	4,267,414	0.00%	4,267,414	24,348,473	17.53%
2013	-	7,352,332	0.00%	7,352,332	27,299,000	26.93%

CITY OF BERWYN, ILLINOIS  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 ILLINOIS MUNICIPAL RETIREMENT FUND  
 December 31, 2013

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Calendar Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net Pension Obligation
2008	\$ 755,955	\$ 755,955	100.00%	\$ -
2009	731,777	731,777	100.00%	-
2010	821,323	961,513	85.42%	140,190
2011	975,285	1,061,316	91.89%	229,219
2012	1,079,673	1,084,607	99.55%	239,055
2013	1,182,953	1,182,953	100.00%	244,168

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See independent auditor's report.

CITY OF BERWYN

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 IMRF - SHEFFIFF'S LAW ENFORCEMENT PERSONNEL  
 December 31, 2013

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<u>Calendar Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation</u>
2008	\$ 15,394	\$ 15,394	100.00%	\$ -
2009	7,059	7,059	100.00%	-
2010	12,182	15,929	76.48%	3,747
2011	16,594	16,594	100.00%	3,827
2012	12,413	12,413	100.00%	3,909
2013	14,812	14,812	100.00%	3,992

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See independent auditor's report.

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND  
December 31, 2013

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Fiscal Year*	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net Pension Obligation (Asset)
2008	\$ 1,895,617	\$ 2,363,368	80.21%	\$ 519,413
2009	1,956,851	2,190,453	89.34%	762,764
2010	2,447,616	2,654,633	92.20%	988,816
2011	2,443,805	3,523,001	69.37%	2,085,542
2012	2,440,664	3,937,274	61.99%	3,614,891
2013	17,432,504	4,423,550	394.08%	(9,341,798)

- Actuarial evaluations were conducted for the years beginning 2009, 2010, 2011, 2012, 2013 and 2014 based upon the figures above from the preceding fiscal year



CITY OF BERWYN, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 FIREFIGHTERS' PENSION FUND  
 December 31, 2013

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Fiscal Year*	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net Pension Obligation (Asset)
2008	\$ 2,327,797	\$ 2,387,190	97.51%	\$ (54,678)
2009	2,024,816	2,425,321	83.49%	725,385
2010	2,532,240	2,842,419	89.09%	1,049,179
2011	2,544,473	2,684,363	94.79%	2,053,927
2012	2,549,376	3,868,992	65.89%	3,415,694
2013	17,539,449	4,065,776	431.39%	(9,992,269)

- Actuarial evaluations were conducted for the years beginning 2009, 2010, 2011, 2012, 2013 and 2014 based upon the figures above from the preceding fiscal year

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFITS  
December 31, 2013

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Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net OPEB Obligation
2008	\$ 91,677	\$ 486,719	18.84%	\$ 732,617
2009	91,677	105,479	86.91%	758,629
2010	91,677	105,479	86.91%	785,073
2011	362,031	748,654	48.36%	1,171,697
2012	348,386	229,545	151.77%	1,052,856
2013	348,386	217,036	160.52%	921,506

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See independent auditor's report.

CITY OF BERWYN, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
December 31, 2013

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**NOTE 1 - BUDGETS**

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting. Annual appropriated budgets are adopted for the General, Special Revenue Funds (except the Grants, Cermak Road TIF, Police Seizure, NSP and Emergency 911 Telephone System Funds), Enterprise, Capital Projects (except the Infrastructure Bond Fund) and Pension Trust Funds. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. The Mayor submits to the City Council Members a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted by the City to obtain taxpayer comments.
- c. Subsequently, the budget is legally enacted through passage of an ordinance.
- d. Formal budgetary integration is employed as a management control device during the year.
- e. Budgets, as described above, are adopted on a basis consistent with generally accepted accounting principles.
- f. Legal level of budgetary control is at the department level in the general fund or fund level for all other funds.
- g. Budgetary authority lapses at year end.
- h. State law requires that "expenditures be made in conformity with the budget." Transfers between line items in cost centers may be made by administrative action. Any amount to be transferred between cost centers and/or funds would require City Council approval.
- i. Budgeted amounts are as originally adopted, with the exceptions of City Council approved budget amendments which are reflected in the financial statements.

**NOTE 2 - EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS**

The following departments had an excess of actual expenditures over budget for the fiscal year:

<u>Fund</u>	<u>Amount</u>
General Fund Department	
Fleet	\$ 10,425
Motor Fuel Tax	<u>252,417</u>
Total	<u>\$ 262,842</u>

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
December 31, 2013

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**NOTE 3 - SUPPLEMENTAL BUDGET APPROPRIATIONS**

Supplemental budget appropriations during the year were as follows:

<u>Fund</u>	<u>Amount</u>
General Fund Department	
Other Financing Sources	\$ 350,000
Mayor	3,000
City Administrator	3,000
Legal	8,000
Finance	52,000
Finance – Collector's Office	36,500
Human Resources	1,000
Administrative	7,500
Fire	15,075,000
Police	15,036,500
Zoning	2,500
Committee & Planning	19,500
Recreation	30,000
Senior Services	7,500
Harlem TIF	(5,220,000)
Debt Service	<u>345,410</u>
 Total	 <u>\$25,747,410</u>

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

**MAJOR GOVERNMENTAL FUNDS**

CITY OF BERWYN, ILLINOIS

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

For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Property taxes - debt service	\$ 1,965,607	\$ 1,965,607	\$ 2,042,791	\$ 77,184
Investment income	3,000	3,000	2,447	(553)
Total Revenues	<u>1,968,607</u>	<u>1,968,607</u>	<u>2,045,238</u>	<u>76,631</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal	3,605,000	4,060,000	4,060,000	-
Interest and fiscal charges	4,738,545	4,738,797	4,727,815	10,982
Bond issuance costs	230,000	120,158	103,279	16,879
Total Expenditures	<u>8,573,545</u>	<u>8,918,955</u>	<u>8,891,094</u>	<u>27,861</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(6,604,938)</u>	<u>(6,950,348)</u>	<u>(6,845,856)</u>	<u>104,492</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued, at par	5,530,000	5,705,000	5,705,000	-
Premium on issuance of long term debt	-	170,410	170,408	(2)
Transfers in - Roosevelt Road TIF	279,169	279,169	279,169	-
Transfers in - Ogden Avenue TIF	410,000	410,000	410,000	-
Transfers in - South Berwyn TIF	401,824	401,824	401,824	-
Total Other Financing Sources (Uses)	<u>6,620,993</u>	<u>6,966,403</u>	<u>6,966,401</u>	<u>(2)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 16,055</u>	<u>\$ 16,055</u>	120,545	<u>\$ 104,490</u>
FUND BALANCE, JANUARY 1			<u>521,329</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 641,874</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>PROPERTY TAXES</b>				
Property taxes - general	\$ 20,481,906	\$ 20,481,906	\$ 20,548,629	\$ 66,723
<b>OTHER TAXES</b>				
Personal property replacement	205,000	205,000	234,257	29,257
State income	5,900,000	5,900,000	6,439,536	539,536
State sales	3,100,000	3,100,000	2,922,555	(177,445)
Home rule sales	2,300,000	2,300,000	2,156,948	(143,052)
Municipal utility	3,500,000	3,500,000	3,630,961	130,961
Liquor	168,000	168,000	170,120	2,120
Real estate transfer	950,000	950,000	1,379,577	429,577
Gas	390,000	390,000	327,833	(62,167)
Parking lot	2,000	2,000	2,455	455
Video	15,000	15,000	29,728	14,728
Video gaming	120,000	120,000	135,807	15,807
Pull tabs and jar games	6,000	6,000	4,328	(1,672)
Total Other Taxes	<u>16,656,000</u>	<u>16,656,000</u>	<u>17,434,105</u>	<u>778,105</u>
<b>LICENSES AND PERMITS</b>				
Vehicle				
Recreation vehicle	1,500	1,500	1,080	(420)
Motorcycle	10,000	10,000	13,230	3,230
Trucks	145,000	145,000	146,310	1,310
Passenger vehicles	1,100,000	1,100,000	1,142,905	42,905
Licenses				
Business	419,500	419,500	386,353	(33,147)
Liquor	204,400	204,400	172,999	(31,401)
Pet	15,000	15,000	14,815	(185)
Permits				
Commuter parking	115,000	115,000	124,468	9,468
Electrical	62,000	62,000	74,665	12,665
Municipal parking	50,000	50,000	97,290	47,290
Building	40,000	40,000	43,235	3,235
Certificate of compliance	55,000	55,000	74,961	19,961
Local improvement	550,000	550,000	697,807	147,807
Service charge and escrow default	80,000	80,000	102,567	22,567
Electrical sign inspection	55,000	55,000	51,168	(3,832)
Total Licenses and Permits	<u>2,902,400</u>	<u>2,902,400</u>	<u>3,143,853</u>	<u>241,453</u>

(Continued)



CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>CHARGES FOR SERVICES</b>				
Public safety				
Police reports	\$ 10,000	\$ 10,000	\$ 16,137	\$ 6,137
Paramedic service collections	500,000	500,000	797,024	297,024
False alarms	5,000	5,000	448	(4,552)
Miscellaneous charges for services	25,500	25,500	14,965	(10,535)
CPR training revenue	500	500	835	335
Public works				
Plumbing inspection	60,000	60,000	73,695	13,695
Sanitation				
Recycling rebate	80,000	80,000	85,739	5,739
Recreation				
Athletics	88,750	88,750	85,481	(3,269)
Adult programs	36,500	36,500	31,735	(4,765)
Children's programs	200,000	200,000	298,515	98,515
Pool	80,000	80,000	47,698	(32,302)
Concession stand	17,500	17,500	8,852	(8,648)
Rental	3,000	3,000	3,799	799
Senior services				
Senior breakfast	2,500	2,500	3,120	620
Other fees for service	19,000	19,000	24,948	5,948
Other				
Commuter parking meters	50,000	50,000	44,101	(5,899)
Sale of gas	130,000	130,000	127,102	(2,898)
Sidewalk construction	115,000	115,000	79,225	(35,775)
 Total Charges For Services	 <u>1,423,250</u>	 <u>1,423,250</u>	 <u>1,743,419</u>	 <u>320,169</u>
<b>FINES AND FORFEITURES</b>				
Towing fees	16,000	16,000	1,176	(14,824)
Impound vehicles	625,000	625,000	336,375	(288,625)
Booting	25,000	25,000	30,220	5,220
Cannabis tickets	34,000	34,000	32,255	(1,745)
Court fines	2,060,000	2,060,000	2,016,771	(43,229)
Violation fines	150,000	150,000	189,308	39,308
After the fact fines	12,500	12,500	1,500	(11,000)
Compliance tickets	-	-	220	220
Local ordinance fines	530,000	530,000	672,252	142,252
Red Speed photo enforcement	1,300,000	1,550,000	2,071,588	521,588
Adjudication court fines	12,500	12,500	-	(12,500)
 Total Fines and Forfeitures	 <u>4,765,000</u>	 <u>5,015,000</u>	 <u>5,351,665</u>	 <u>336,665</u>

(Continued)

CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2013

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>INTERGOVERNMENTAL</b>				
Highway maintenance	\$ 102,000	\$ 102,000	\$ 106,709	\$ 4,709
Total Intergovernmental	<u>102,000</u>	<u>102,000</u>	<u>106,709</u>	<u>4,709</u>
<b>INVESTMENT INCOME</b>	<u>25,075</u>	<u>25,075</u>	<u>46,315</u>	<u>21,240</u>
<b>OTHER REVENUES</b>				
Franchises	340,000	340,000	370,804	30,804
Cell tower rental	87,000	87,000	126,400	39,400
Reimbursements	209,500	209,500	359,933	150,433
Grants	48,300	48,300	204,715	156,415
Contributions & sponsorships	20,250	40,250	52,607	12,357
Other	<u>184,500</u>	<u>184,500</u>	<u>207,627</u>	<u>23,127</u>
Total Other Revenues	<u>889,550</u>	<u>909,550</u>	<u>1,322,086</u>	<u>412,536</u>
<b>TOTAL REVENUES</b>	<u>\$ 47,245,181</u>	<u>\$ 47,515,181</u>	<u>\$ 49,696,781</u>	<u>\$ 2,181,600</u>

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CITY OF BERWYN, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
 GENERAL FUND  
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>GENERAL GOVERNMENT</b>				
Mayor's Office				
Salaries and benefits	\$ 140,296	\$ 143,296	\$ 140,669	\$ 2,627
Internal service fund charges	1,790	1,790	207	1,583
Administrative expenditures	7,500	7,500	8,737	(1,237)
Supplies	1,600	1,600	686	914
Postage and printing	700	700	740	(40)
Repairs and maintenance	500	500	-	500
Other general	3,500	3,500	1,735	1,765
Copier maintenance	2,800	2,800	2,676	124
Total Mayor's Office	<u>158,686</u>	<u>161,686</u>	<u>155,450</u>	<u>6,236</u>
City Administrator's Office				
Salaries and benefits	306,087	309,087	314,708	(5,621)
Internal service fund charges	3,894	3,894	450	3,444
Training, dues and publications	13,953	13,953	9,958	3,995
Supplies	1,600	1,600	1,280	320
Postage and printing	700	700	789	(89)
Repairs and maintenance	500	500	-	500
Professional services	60,000	60,000	60,000	-
Other general	7,500	7,500	8,899	(1,399)
Copier maintenance	2,800	2,800	1,550	1,250
Total City Administrator's Office	<u>397,034</u>	<u>400,034</u>	<u>397,634</u>	<u>2,400</u>
City Clerk's Office				
Salaries and benefits	160,776	160,776	154,848	5,928
Internal service fund charges	2,793	2,793	323	2,470
Administrative expenditures	4,500	4,500	34	4,466
Training, dues and publications	4,700	4,700	1,025	3,675
Supplies	3,000	3,000	881	2,119
Postage and printing	1,500	1,500	556	944
Codification	7,000	7,000	2,010	4,990
Record retention	8,000	8,000	1,343	6,657
Other general	3,500	3,500	622	2,878
Copier maintenance	6,000	6,000	6,353	(353)
Total City Clerk's Office	<u>201,769</u>	<u>201,769</u>	<u>167,995</u>	<u>33,774</u>
Treasurer's Office				
Salaries and benefits	33,388	33,388	33,684	(296)
Internal service fund charges	364	364	42	322
Supplies	-	-	91	(91)
Postage, printing and publications	4,000	4,000	2,900	1,100
Other general	-	-	41	(41)
Total Treasurer's Office	<u>37,752</u>	<u>37,752</u>	<u>36,758</u>	<u>994</u>
City Council				
Salaries and benefits	203,499	188,499	183,232	5,267
Internal service fund charges	2,729	2,729	315	2,414
Ward expenditures	36,000	39,000	20,108	18,892
Postage, printing and publications	-	-	65	(65)
Other general	500	500	252	248
Total City Council	<u>242,728</u>	<u>230,728</u>	<u>203,972</u>	<u>26,756</u>

(Continued)

## CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>GENERAL GOVERNMENT (CONT.)</b>				
Legal Department				
Salaries and benefits	\$ 261,010	\$ 269,010	\$ 264,971	\$ 4,039
Internal service fund charges	13,787	13,787	1,593	12,194
Supplies	1,800	1,800	789	1,011
Postage and printing	700	700	93	607
Adjudication program	35,000	35,000	28,875	6,125
Other general	1,400	1,400	5,288	(3,888)
Professional services	600,000	600,000	554,069	45,931
Copier maintenance	2,800	2,800	1,550	1,250
Total Legal Department	<u>916,497</u>	<u>924,497</u>	<u>857,228</u>	<u>67,269</u>
Finance Department				
Salaries and benefits	1,076,790	1,110,040	1,081,684	28,356
Internal service fund charges	19,290	19,290	2,229	17,061
Vehicle registration service	55,000	55,000	48,718	6,282
Other general	43,000	58,000	60,616	(2,616)
Postage, printing and publications	24,000	29,000	25,670	3,330
Telephone	52,000	52,000	68,526	(16,526)
Supplies	5,100	5,100	8,802	(3,702)
Training, dues and publications	7,500	8,500	5,216	3,284
Professional services	240,000	275,250	267,570	7,680
Copier maintenance	9,000	9,000	4,513	4,487
Total Finance Department	<u>1,531,680</u>	<u>1,621,180</u>	<u>1,573,544</u>	<u>47,636</u>
Information Technology Department				
Salaries and benefits	530,847	530,847	504,794	26,053
Internal service fund charges	11,440	11,440	1,322	10,118
Network infrastructure	180,000	180,000	216,635	(36,635)
Hardware purchases	75,000	75,000	63,880	11,120
Hardware maintenance	30,000	30,000	38,888	(8,888)
Software purchases	49,000	49,000	9,595	39,405
Software maintenance	33,500	33,500	24,753	8,747
Training, dues and publications	12,500	12,500	-	12,500
Other general	39,000	39,000	47,288	(8,288)
Professional services	25,000	25,000	5,550	19,450
Total Information Technology Department	<u>986,287</u>	<u>986,287</u>	<u>912,705</u>	<u>73,582</u>
Statutory				
Auditing/accounting expenditures	45,000	45,000	44,440	560
Bad debt expenditure	6,500	11,500	14,747	(3,247)
Unallocated employee benefits	45,000	45,000	69,450	(24,450)
Interdepartmental charges - water	(1,252,309)	(1,252,309)	(840,576)	(411,733)
Other	5,000	5,000	4,486	514
City wide software applications	38,650	41,150	40,672	478
Total Statutory	<u>(1,112,159)</u>	<u>(1,104,659)</u>	<u>(666,781)</u>	<u>(437,878)</u>
Total General Government	<u>3,360,274</u>	<u>3,459,274</u>	<u>3,638,505</u>	<u>(179,231)</u>

(Continued)

## CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>PUBLIC SAFETY</b>				
Fire Department				
Salaries and benefits	\$ 9,247,931	\$ 9,322,931	\$ 9,220,664	\$ 102,267
Pension expenditures	2,534,586	17,534,586	17,538,697	(4,111)
Internal service fund charges	376,148	376,148	190,972	185,176
Collection service fees	60,000	60,000	59,446	554
Other general	93,250	93,250	35,586	57,664
Supplies	20,500	20,500	11,733	8,767
Telephone	10,000	10,000	9,600	400
Utilities	67,000	67,000	70,927	(3,927)
Training, dues, and education	60,000	60,000	44,605	15,395
Repairs and maintenance	202,250	202,250	90,073	112,177
Copier maintenance	6,600	6,600	4,058	2,542
Equipment purchases/capital outlay	205,000	205,000	351,604	(146,604)
Equipment lease	193,500	193,500	197,606	(4,106)
Turnout gear	40,000	40,000	37,172	2,828
Total Fire Department	<u>13,116,765</u>	<u>28,191,765</u>	<u>27,862,743</u>	<u>329,022</u>
Police Department				
Salaries and benefits	17,172,026	17,172,026	17,152,953	19,073
Pension expenditures	2,428,758	17,428,758	17,431,789	(3,031)
Internal service fund charges	1,113,902	1,010,402	959,683	50,719
Other general	88,700	88,700	88,243	457
Postage, printing, and publications	35,500	35,500	29,351	6,149
Telephone	108,900	108,900	116,867	(7,967)
Utilities	328,000	328,000	302,294	25,706
Training, dues, and education	65,000	65,000	77,492	(12,492)
Supplies	54,400	54,400	40,665	13,735
Repairs and maintenance	353,400	353,400	353,902	(502)
Red Speed photo enforcement	491,826	631,826	785,318	(153,492)
Capital outlay	525,000	525,000	423,735	101,265
Copier maintenance	19,000	19,000	22,035	(3,035)
Total Police Department	<u>22,784,412</u>	<u>37,820,912</u>	<u>37,784,327</u>	<u>36,585</u>
Fire and Police Commission				
Salaries and benefits	21,592	21,592	19,861	1,731
Training, dues, and education	5,375	5,375	-	5,375
Other general	71,000	71,000	8,948	62,052
Total Fire and Police Commission	<u>97,967</u>	<u>97,967</u>	<u>28,809</u>	<u>69,158</u>
Total Public Safety	<u>35,999,144</u>	<u>66,110,644</u>	<u>65,675,879</u>	<u>434,765</u>

(Continued)

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>PUBLIC WORKS</b>				
Building Department				
Salaries and benefits	\$ 807,588	\$ 807,588	\$ 788,808	\$ 18,780
Internal service fund charges	16,288	16,288	1,882	14,406
Other general	40,000	40,000	18,576	21,424
Postage, printing, and publications	8,000	8,000	12,309	(4,309)
Utilities	23,000	23,000	20,843	2,157
Telephone	7,500	7,500	9,933	(2,433)
Training, dues, and publications	2,000	2,000	1,750	250
Supplies	7,500	7,500	11,727	(4,227)
Professional services	350,000	350,000	332,308	17,692
Repairs and maintenance	160,000	160,000	206,684	(46,684)
Capital outlay	60,000	60,000	18,797	41,203
Copier maintenance	4,000	4,000	2,945	1,055
Total Building Department	<u>1,485,876</u>	<u>1,485,876</u>	<u>1,426,562</u>	<u>59,314</u>
Street Department				
Salaries and benefits	2,376,775	2,376,775	2,027,865	348,910
Internal service fund charges	228,820	228,820	146,802	82,018
Other general	15,000	15,000	11,984	3,016
Telephone	3,500	3,500	4,202	(702)
Utilities	18,000	18,000	23,652	(5,652)
External gas and oil	125,000	125,000	153,652	(28,652)
Supplies	157,000	157,000	63,993	93,007
Equipment lease	45,000	45,000	5,542	39,458
Equipment	75,000	75,000	59,120	15,880
Repairs and maintenance	294,000	294,000	473,921	(179,921)
Copier maintenance	4,500	4,500	1,112	3,388
Professional services	365,000	365,000	432,020	(67,020)
Total Street Department	<u>3,707,595</u>	<u>3,707,595</u>	<u>3,403,865</u>	<u>303,730</u>
Fleet Department				
Salaries and benefits	339,181	339,181	325,288	13,893
Other general	80,500	80,500	108,046	(27,546)
Professional services	45,000	45,000	59,504	(14,504)
Repairs and maintenance	147,000	147,000	129,268	17,732
Total Fleet Department	<u>611,681</u>	<u>611,681</u>	<u>622,106</u>	<u>(10,425)</u>
Total Public Works	<u>5,805,152</u>	<u>5,805,152</u>	<u>5,452,533</u>	<u>352,619</u>

(Continued)

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>ECONOMIC DEVELOPMENT</b>				
Zoning Boards of Appeals				
Salaries and benefits	\$ 6,847	\$ 6,847	\$ 5,705	\$ 1,142
Other general	2,500	5,000	3,937	1,063
Total Zoning Boards of Appeals	<u>9,347</u>	<u>11,847</u>	<u>9,642</u>	<u>2,205</u>
Committees and Planning Department				
Berwyn Historical Society	5,000	5,000	-	5,000
West Central Municipal Conference	20,000	21,500	20,524	976
Historical Preservation Commission	5,000	5,000	1,655	3,345
Utility tax rebate	80,000	95,000	93,943	1,057
National Night Out	17,500	20,500	20,250	250
Berwyn Development Corporation Administrative Fee	86,000	86,000	86,000	
Other general	5,000	5,000	3,491	1,509
Total Committees and Planning Department	<u>218,500</u>	<u>238,000</u>	<u>225,863</u>	<u>12,137</u>
Total Economic Development	<u>227,847</u>	<u>249,847</u>	<u>235,505</u>	<u>14,342</u>
<b>CULTURE AND RECREATION</b>				
Recreation Department				
Salaries and benefits	903,342	933,342	862,638	70,704
Internal service fund charges	88,095	88,095	58,909	29,186
Special events	50,000	50,000	56,186	(6,186)
Concession stand	-	-	83,285	(83,285)
Other general	80,000	80,000	64,329	15,671
Postage, printing, and publications	10,000	10,000	8,440	1,560
Telephone	8,000	8,000	8,516	(516)
Utilities	65,000	65,000	35,168	29,832
Supplies	130,000	130,000	10,017	119,983
Repairs and maintenance	130,000	130,000	142,170	(12,170)
Equipment purchases/capital outlay	50,000	50,000	56,673	(6,673)
Copier maintenance	6,000	6,000	4,649	1,351
Total Recreation Department	<u>1,520,437</u>	<u>1,550,437</u>	<u>1,390,980</u>	<u>159,457</u>

(Continued)

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
 GENERAL FUND  
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>CULTURE AND RECREATION (CONTINUED)</b>				
Community Relations Department				
Salaries and benefits	\$ 6,200	\$ 6,200	\$ 6,205	\$ (5)
Other general	1,500	1,500	-	1,500
Total Community Relations Department	<u>7,700</u>	<u>7,700</u>	<u>6,205</u>	<u>1,495</u>
Senior Services Department				
Salaries and benefits	172,870	172,870	167,761	5,109
Special events - senior breakfast	6,000	6,000	6,954	(954)
Vehicle, gas, and oil	25,000	25,000	22,331	2,669
Telephone	2,000	2,000	1,840	160
Supplies	600	600	533	67
Postage and printing	3,200	3,200	3,007	193
Professional services	4,000	4,000	2,192	1,808
Repairs and maintenance	49,500	57,000	63,735	(6,735)
Equipment lease	6,000	6,000	4,000	2,000
Copier maintenance	1,000	1,000	845	155
Internal service fund charges	3,210	3,210	371	2,839
Other general	1,800	1,800	505	1,295
Total Senior Services Department	<u>275,180</u>	<u>282,680</u>	<u>274,074</u>	<u>8,606</u>
Total Culture and Recreation	<u>1,803,317</u>	<u>1,840,817</u>	<u>1,671,259</u>	<u>169,558</u>
<b>DEBT SERVICE</b>				
Bond expenditures				
Bond issuance costs	-	350,000	302,828	47,172
Total Debt Service	<u>-</u>	<u>350,000</u>	<u>302,828</u>	<u>47,172</u>
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<u>\$ 47,195,734</u>	<u>\$ 77,815,734</u>	<u>\$ 76,976,509</u>	<u>\$ 839,225</u>



## **NONMAJOR GOVERNMENTAL FUNDS**

NSP Fund is used to account for revenues and expenditures of the Neighborhood Stabilization Grant program with funding provided by the Federal Department of Housing and Urban Development.

Library Fund is used to account for the revenues of and the spending of funds for the operations of the Berwyn Public Library. The Library is a department of the city and is a special revenue fund.

Motor Fuel Tax Fund is used to account for the proceeds received from the State for the City's share of motor fuel taxes. Spending within this fund is restricted by state regulations to the maintenance and improvement of City streets.

South Berwyn Corridor TIF is used to accumulate tax increment generated by the South Berwyn TIF district which was created on January 28, 1997. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

Roosevelt Road TIF is used to accumulate tax increment generated by the Roosevelt Road TIF district which was created on January 28, 1997. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

Ogden Avenue TIF is used to accumulate tax increment generated by the Ogden Avenue TIF district which was created on May 25, 1993. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

Cermak Road TIF is used to accumulate tax increment generated by the Cermak Road TIF district which was created on July 14, 1987. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

Harlem Avenue TIF is used to accumulate tax increment generated by the Harlem Avenue TIF district which was created on January 1, 2012. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

Grants Fund is used to account for various grant revenues and the related expenditure of those grant funds.

Police Seizure Fund is used to account for revenues obtained from drug seizures and expenditures related to police activity in accordance with state and federal requirements.

Emergency 911 Telephone System Fund is used to account for the operations and maintenance of an emergency telephone system with revenues provided by a specific annual tax levy.

Foreign Fire Insurance Fund is used to account for the proceeds and spending of the foreign fire insurance tax. The fund is administered by the City's Foreign Fire Insurance Board and must be used for the benefit of the fire department.

Community Development Block Grant (CDBG) Fund is used to account for the revenues and expenditures of the CDBG program with funding provided by the Federal Department of Housing and Urban Development.

Capital Bond Fund is used to account for the capital portions of bond proceeds to be used for capital project purposes.

Infrastructure Bond Fund is used to account for bond proceeds which are to be used to finance capital projects.

CITY OF BERWYN, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 December 31, 2013

	Special Revenue							
	NSP	Library	Motor Fuel Tax	South Berwyn Corridor TIF	Roosevelt Road TIF	Ogden Avenue TIF	Cermak Road TIF	Harlem Avenue TIF
<b>ASSETS</b>								
Cash and investments	\$ 40	\$ 231,853	\$ 1,698,623	\$ 343,440	\$ 184,187	\$ 691,510	\$ 372,452	\$ 61,526
Restricted cash	-	-	-	-	608,934	-	-	-
Receivables								
Property taxes	-	3,014,813	-	32,782	-	2,726	-	1,971
Notes	-	-	-	-	-	-	-	-
Interest	-	25	-	107	264	210	77	38
Accounts	129,138	1,140	-	-	9,692	75,000	-	-
Land held for resale	2,336,378	-	-	84,032	305,000	2,608,036	356,959	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	141,776	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 2,465,556</b>	<b>\$ 3,247,831</b>	<b>\$ 1,840,399</b>	<b>\$ 460,361</b>	<b>\$ 1,108,077</b>	<b>\$ 3,377,482</b>	<b>\$ 729,488</b>	<b>\$ 63,535</b>
<b>LIABILITIES</b>								
Accounts payable	\$ 46,657	\$ 40,366	\$ 127,180	\$ 6,715	\$ 777	\$ 1,298	\$ 2,803	\$ -
Accrued payroll	-	40,633	-	-	-	-	-	-
Unearned revenues	-	-	-	-	9,692	-	-	-
Due to other funds	82,481	70,232	996,393	243,103	265,175	440,426	92,737	-
Other Liabilities	-	-	-	-	-	-	86,162	-
<b>TOTAL LIABILITIES</b>	<b>129,138</b>	<b>151,231</b>	<b>1,123,573</b>	<b>249,818</b>	<b>275,644</b>	<b>441,724</b>	<b>181,702</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	2,986,312	-	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>2,986,312</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT)</b>								
Restricted								
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	716,826	-	-	-	-	-
Culture and recreation	-	110,288	-	-	-	-	-	-
Economic Development	2,336,418	-	-	210,543	832,433	2,935,758	547,786	63,535
Committed								
Capital projects funded by bonds	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>2,336,418</b>	<b>110,288</b>	<b>716,826</b>	<b>210,543</b>	<b>832,433</b>	<b>2,935,758</b>	<b>547,786</b>	<b>63,535</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>	<b>\$ 2,465,556</b>	<b>\$ 3,247,831</b>	<b>\$ 1,840,399</b>	<b>\$ 460,361</b>	<b>\$ 1,108,077</b>	<b>\$ 3,377,482</b>	<b>\$ 729,488</b>	<b>\$ 63,535</b>

(Continued)

CITY OF BERWYN, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 December 31, 2013

	Special Revenue					Capital Projects		Totals
	Grants	Police Seizure	Emergency 911 Telephone System	Foreign Fire Insurance	CDBG	Capital Bond	Infrastructure Bond	
<b>ASSETS</b>								
Cash and investments	\$ 100	\$ 992,868	\$ 703,457	\$ 60,902	\$ 376,231	\$ 2,038,118	\$ -	\$ 7,755,307
Restricted cash	-	-	-	-	-	-	-	608,934
Receivables								
Property taxes	-	-	-	-	-	-	-	3,052,292
Notes	-	-	-	-	2,795,390	-	-	2,795,390
Interest	-	96	39	4	69	666	-	1,595
Accounts	6,043	12,125	115,464	-	-	-	-	348,602
Land held for resale	-	-	-	-	-	-	-	5,690,405
Due from other funds	48,417	-	-	-	-	81,467	18,727	148,611
Due from other governments	-	-	-	-	102,812	-	-	244,588
TOTAL ASSETS	<u>\$ 54,560</u>	<u>\$ 1,005,089</u>	<u>\$ 818,960</u>	<u>\$ 60,906</u>	<u>\$ 3,274,502</u>	<u>\$ 2,120,251</u>	<u>\$ 18,727</u>	<u>\$ 20,645,724</u>
<b>LIABILITIES</b>								
Accounts payable	\$ 1,100	\$ 5,810	\$ -	\$ -	\$ 326,908	\$ -	\$ -	\$ 559,614
Accrued payroll	-	2,057	-	-	5,235	-	-	47,925
Unearned revenues	12,500	-	-	-	2,795,390	-	-	2,817,582
Due to other funds	-	63,486	-	-	813,103	-	-	3,067,136
Other Liabilities	-	-	-	-	-	-	-	86,162
TOTAL LIABILITIES	<u>13,600</u>	<u>71,353</u>	<u>-</u>	<u>-</u>	<u>3,940,636</u>	<u>-</u>	<u>-</u>	<u>6,578,419</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	2,986,312
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,986,312</u>
<b>FUND BALANCES (DEFICIT)</b>								
Restricted								
Public safety	40,960	933,736	818,960	60,906	-	-	-	1,854,562
Public works	-	-	-	-	-	-	-	716,826
Culture and recreation	-	-	-	-	-	-	-	110,288
Economic Development	-	-	-	-	-	-	-	6,926,473
Committed								
Capital projects funded by bonds	-	-	-	-	-	2,120,251	18,727	2,138,978
Unassigned	-	-	-	-	(666,134)	-	-	(666,134)
TOTAL FUND BALANCES (DEFICIT)	<u>40,960</u>	<u>933,736</u>	<u>818,960</u>	<u>60,906</u>	<u>(666,134)</u>	<u>2,120,251</u>	<u>18,727</u>	<u>11,080,993</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)	<u>\$ 54,560</u>	<u>\$ 1,005,089</u>	<u>\$ 818,960</u>	<u>\$ 60,906</u>	<u>\$ 3,274,502</u>	<u>\$ 2,120,251</u>	<u>\$ 18,727</u>	<u>\$ 20,645,724</u>

CITY OF BERWYN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2013

	Special Revenue							
	NSP	Library	Motor Fuel Tax	South Berwyn Corridor TIF	Roosevelt Road TIF	Ogden Avenue TIF	Cermak Road TIF	Harlem Avenue TIF
<b>REVENUES</b>								
Property taxes	\$ -	\$ 3,004,812	\$ -	\$ 912,705	\$ 456,655	\$ 910,611	\$ -	\$ 282,752
Other taxes	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	46,484	-	-	-	-	-	-
Intergovernmental	1,085,160	79,224	1,662,129	-	-	75,000	-	-
Investment income	-	180	288	558	2,141	1,314	691	151
Miscellaneous	-	46,118	-	-	10,327	-	200,000	-
Total Revenues	<u>1,085,160</u>	<u>3,176,818</u>	<u>1,662,417</u>	<u>913,263</u>	<u>469,123</u>	<u>986,925</u>	<u>200,691</u>	<u>282,903</u>
<b>EXPENDITURES</b>								
Current								
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	1,245,417	-	-	-	-	-
Economic development	154,881	-	-	279,488	519,243	517,210	3,460,177	219,368
Culture and recreation	-	3,098,095	-	-	-	-	-	-
Capital outlay	1,749,180	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	193,951	-	236,707	-	-
Bond issuance costs	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	64,004	-	50,394	-	-
Total Expenditures	<u>1,904,061</u>	<u>3,098,095</u>	<u>1,245,417</u>	<u>537,443</u>	<u>519,243</u>	<u>804,311</u>	<u>3,460,177</u>	<u>219,368</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(818,901)</u>	<u>78,723</u>	<u>417,000</u>	<u>375,820</u>	<u>(50,120)</u>	<u>182,614</u>	<u>(3,259,486)</u>	<u>63,535</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from sale of property	154,785	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	-	-	(310,000)	(401,824)	(508,155)	(410,000)	-	-
Total Other Financing Sources (Uses)	<u>154,785</u>	<u>-</u>	<u>(310,000)</u>	<u>(401,824)</u>	<u>(508,155)</u>	<u>(410,000)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(664,116)	78,723	107,000	(26,004)	(558,275)	(227,386)	(3,259,486)	63,535
FUND BALANCES (DEFICIT), JANUARY 1 (as restated)	<u>3,000,534</u>	<u>31,565</u>	<u>609,826</u>	<u>236,547</u>	<u>1,390,708</u>	<u>3,163,144</u>	<u>3,807,272</u>	<u>-</u>
<b>FUND BALANCES (DEFICIT), DECEMBER 31</b>	<u>\$ 2,336,418</u>	<u>\$ 110,288</u>	<u>\$ 716,826</u>	<u>\$ 210,543</u>	<u>\$ 832,433</u>	<u>\$ 2,935,758</u>	<u>\$ 547,786</u>	<u>\$ 63,535</u>

CITY OF BERWYN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2013

	Special Revenue					Capital Projects		Totals
	Grants	Police Seizure	Emergency 911 Telephone System	Foreign Fire Insurance	CDBG	Capital Bond	Infrastructure Bond	
<b>REVENUES</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,567,535
Other taxes	-	-	462,152	36,861	-	-	-	499,013
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	46,484
Intergovernmental	55,363	642,076	-	-	485,866	-	-	4,084,818
Investment income	-	724	3,403	26	-	3,194	-	12,670
Miscellaneous	-	-	-	-	-	32,581	-	289,026
<b>Total Revenues</b>	<b>55,363</b>	<b>642,800</b>	<b>465,555</b>	<b>36,887</b>	<b>485,866</b>	<b>35,775</b>	<b>-</b>	<b>10,499,546</b>
<b>EXPENDITURES</b>								
Current								
Public safety	3,962	468,973	216,207	46,731	-	-	-	735,873
Public works	33,462	-	-	-	-	-	-	1,278,879
Economic development	-	-	-	-	1,391,212	-	-	6,541,579
Culture and recreation	-	-	-	-	-	-	-	3,098,095
Capital outlay	-	-	-	-	-	391,222	-	2,140,402
Debt service								
Principal	-	-	-	-	-	-	-	430,658
Bond issuance costs	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	114,398
<b>Total Expenditures</b>	<b>37,424</b>	<b>468,973</b>	<b>216,207</b>	<b>46,731</b>	<b>1,391,212</b>	<b>391,222</b>	<b>-</b>	<b>14,339,884</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	17,939	173,827	249,348	(9,844)	(905,346)	(355,447)	-	(3,840,338)
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from sale of property	-	-	-	-	-	-	-	154,785
Transfers in	-	-	-	-	605,063	310,086	-	915,149
Transfers (out)	(102,279)	-	(200,000)	-	-	-	-	(1,932,258)
<b>Total Other Financing Sources (Uses)</b>	<b>(102,279)</b>	<b>-</b>	<b>(200,000)</b>	<b>-</b>	<b>605,063</b>	<b>310,086</b>	<b>-</b>	<b>(862,324)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(84,340)</b>	<b>173,827</b>	<b>49,348</b>	<b>(9,844)</b>	<b>(300,283)</b>	<b>(45,361)</b>	<b>-</b>	<b>(4,702,662)</b>
<b>FUND BALANCES (DEFICIT), JANUARY 1</b>	<b>125,300</b>	<b>759,909</b>	<b>769,612</b>	<b>70,750</b>	<b>(365,851)</b>	<b>2,165,612</b>	<b>18,727</b>	<b>15,783,655</b>
<b>FUND BALANCES (DEFICIT), DECEMBER 31</b>	<b>\$ 40,960</b>	<b>\$ 933,736</b>	<b>\$ 818,960</b>	<b>\$ 60,906</b>	<b>\$ (666,134)</b>	<b>\$ 2,120,251</b>	<b>\$ 18,727</b>	<b>\$ 11,080,993</b>

CITY OF BERWYN, ILLINOIS

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

For the Year Ended December 31, 2013

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes - Library	\$ 2,986,312	\$ 3,004,812	\$ 18,500
Fines and forfeitures			
Book fines	30,000	35,566	5,566
Copier fees - maintenance fund	12,000	10,918	(1,082)
Intergovernmental revenue - Per Capita Grant	58,000	58,224	224
Intergovernmental revenue - Grants	50,000	21,000	(29,000)
Investment income	150	180	30
Miscellaneous revenues			
Donations - building fund	20,000	46,118	26,118
Contributions	45,000	-	(45,000)
	<u>3,201,462</u>	<u>3,176,818</u>	<u>(24,644)</u>
<b>EXPENDITURES</b>			
Culture and Recreation			
Salaries and benefits	2,470,303	2,367,066	103,237
Internal service fund charges	46,755	10,958	35,797
Books	158,900	162,341	(3,441)
Periodicals	18,600	15,298	3,302
Audio visual	41,600	35,805	5,795
Computer system	62,000	60,919	1,081
Dues and subscriptions	11,000	11,161	(161)
Computer support databases	39,000	36,364	2,636
Programs adult/children	28,300	28,331	(31)
Reciprocal borrowing	4,700	1,651	3,049
Promotions	10,500	21,069	(10,569)
Director expense	350	228	122
Board expense	350	58	292
Other general	-	9,011	(9,011)
Postage, printing, and publications	5,000	2,317	2,683
Telephone	7,500	43,010	(35,510)
Utilities	15,600	16,797	(1,197)
Supplies	107,400	128,043	(20,643)
Repairs and maintenance	150,000	143,073	6,927
Capital improvement	5,000	4,595	405
	<u>3,182,858</u>	<u>3,098,095</u>	<u>84,763</u>
Exceeds (Deficiency) of Revenues Over Expenditures	<u>18,604</u>	<u>78,723</u>	<u>60,119</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 18,604</u>	<u>78,723</u>	<u>\$ 60,119</u>
FUND BALANCE, JANUARY 1		<u>31,565</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 110,288</u>	

CITY OF BERWYN, ILLINOIS

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

For the Year Ended December 31, 2013

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental revenues - state allotment	\$ 1,664,050	\$ 1,662,129	\$ (1,921)
Investment income	-	288	288
<b>Total Revenues</b>	<u>1,664,050</u>	<u>1,662,417</u>	<u>(1,633)</u>
<b>EXPENDITURES</b>			
Current			
Public Works			
Rock salt	250,000	257,310	(7,310)
Utilities	330,000	577,114	(247,114)
Professional services	65,000	300,916	(235,916)
Repairs and maintenance			
Traffic control	<u>350,000</u>	<u>110,077</u>	<u>239,923</u>
<b>Total Expenditures</b>	<u>995,000</u>	<u>1,245,417</u>	<u>(250,417)</u>
Exceeds (Deficiency) of Revenues Over Expenditures	<u>669,050</u>	<u>417,000</u>	<u>(252,050)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	<u>(310,000)</u>	<u>(310,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 359,050</u>	107,000	<u>\$ (252,050)</u>
FUND BALANCE, JANUARY 1		<u>609,826</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 716,826</u>	

CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 SOUTH BERWYN CORRIDOR TIF FUND  
 For the Year Ended December 31, 2013

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes - increment	\$ 1,027,377	\$ 912,705	\$ (114,672)
Investment income	<u>2,000</u>	<u>558</u>	<u>(1,442)</u>
Total Revenues	<u>1,029,377</u>	<u>913,263</u>	<u>(116,114)</u>
<b>EXPENDITURES</b>			
Economic Development			
TIF expenditures	333,726	77,887	255,839
TIF management services - BDC	220,701	201,601	19,100
Debt Service			
Principal	155,161	193,951	(38,790)
Interest - notes payable	<u>50,039</u>	<u>64,004</u>	<u>(13,965)</u>
Total Expenditures	<u>759,627</u>	<u>537,443</u>	<u>222,184</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>269,750</u>	<u>375,820</u>	<u>106,070</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	<u>(401,824)</u>	<u>(401,824)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (132,074)</u>	<u>(26,004)</u>	<u>\$ 106,070</u>
FUND BALANCE, JANUARY 1		<u>236,547</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 210,543</u>	



CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 ROOSEVELT ROAD TIF FUND  
 For the Year Ended December 31, 2013

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes - increment	\$ 700,649	\$ 456,655	\$ (243,994)
Investment income	2,000	2,141	141
Miscellaneous	-	10,327	10,327
	<u>702,649</u>	<u>469,123</u>	<u>(233,526)</u>
<b>EXPENDITURES</b>			
Economic Development			
TIF expenditures	1,100,000	198,517	901,483
TIF management services - BDC	340,701	320,726	19,975
	<u>1,440,701</u>	<u>519,243</u>	<u>921,458</u>
Exceeds (Deficiency) of Revenues Over Expenditures	<u>(738,052)</u>	<u>(50,120)</u>	<u>687,932</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	<u>(508,155)</u>	<u>(508,155)</u>	-
Total Other Financing Sources (Uses)	<u>(508,155)</u>	<u>(508,155)</u>	-
NET CHANGE IN FUND BALANCE	<u>\$ (1,246,207)</u>	<u>(558,275)</u>	<u>\$ 687,932</u>
FUND BALANCE, JANUARY 1		<u>1,390,708</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 832,433</u>	

CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
OGDEN AVENUE TIF FUND

For the Year Ended December 31, 2013

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes - increment	\$ 1,537,195	\$ 910,611	\$ (626,584)
Grant revenue	-	75,000	75,000
Investment income	<u>2,000</u>	<u>1,314</u>	<u>(686)</u>
Total Revenues	<u>1,539,195</u>	<u>986,925</u>	<u>(552,270)</u>
<b>EXPENDITURES</b>			
Economic Development			
TIF expenditures	803,000	277,059	525,941
TIF management services - BDC	340,701	240,151	100,550
Debt Service			
Principal	236,643	236,707	(64)
Interest - notes payable	<u>50,458</u>	<u>50,394</u>	<u>64</u>
Total Expenditures	<u>1,430,802</u>	<u>804,311</u>	<u>626,491</u>
Exceeds (Deficiency) of Revenues Over Expenditures	<u>108,393</u>	<u>182,614</u>	<u>74,221</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	<u>(410,000)</u>	<u>(410,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(410,000)</u>	<u>(410,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (301,607)</u>	<u>(227,386)</u>	<u>\$ 74,221</u>
FUND BALANCE, JANUARY 1		<u>3,163,144</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u><b>\$ 2,935,758</b></u>	

CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 HARLEM AVENUE TIF FUND  
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Property taxes - increment	\$ -	\$ 280,000	\$ 282,752	\$ 2,752
Investment income	-	-	151	151
Total Revenues	<u>-</u>	<u>280,000</u>	<u>282,903</u>	<u>2,903</u>
<b>EXPENDITURES</b>				
Economic Development				
TIF expenditures	\$ 5,225,000	\$ 50,000	\$ 19,367	\$ 30,633
TIF management services - BDC	275,000	230,000	200,001	29,999
Total Expenditures	<u>5,500,000</u>	<u>280,000</u>	<u>219,368</u>	<u>60,632</u>
Exceeds (Deficiency) of Revenues Over Expenditures	<u>(5,500,000)</u>	<u>-</u>	<u>63,535</u>	<u>63,535</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds of debt issuance	<u>5,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>5,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	63,535	<u>\$ 63,535</u>
FUND BALANCE, JANUARY 1			<u>-</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 63,535</u>	

CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOREIGN FIRE INSURANCE FUND  
 For the Year Ended December 31, 2013

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	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Other taxes	\$ 80,754	\$ 36,861	\$ (43,893)
Investment income	-	26	(26)
	<u>80,754</u>	<u>36,887</u>	<u>(43,919)</u>
<b>EXPENDITURES</b>			
Public Safety			
Supplies	4,000	5,395	(1,395)
Tools and equipment	36,000	31,556	4,444
Repairs and maintenance	7,000	6,649	351
Other general	754	165	589
Training, dues, and publications	3,000	2,966	34
Capital Outlay	30,000	-	30,000
Total Expenditures	<u>80,754</u>	<u>46,731</u>	<u>34,023</u>
Excess (Deficiency) of Revenues Over Expenditures	-	(9,844)	(9,844)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	(9,844)	<u>\$ (9,844)</u>
FUND BALANCE, JANUARY 1		<u>70,750</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 60,906</u>	

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## CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CDBG FUND  
For the Year Ended December 31, 2013

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental revenues	\$ 1,324,066	\$ 479,040	\$ (845,026)
Investment income	-	71	71
Miscellaneous	-	6,755	6,755
	<u>1,324,066</u>	<u>485,866</u>	<u>(845,026)</u>
<b>Total Revenues</b>			
<b>EXPENDITURES</b>			
Economic Development			
Salaries and benefits	476,815	435,260	41,555
Internal service fund charges	72,773	11,723	61,050
Utilities	2,000	2,816	(816)
Copier maintenance	3,000	3,460	(460)
Telephone	3,000	4,688	(1,688)
Supplies	7,500	4,632	2,868
Postage and printing	2,500	7,297	(4,797)
Professional services	50,000	235,168	(185,168)
Repairs and maintenance	-	5,532	(5,532)
Vehicle gas and oil	5,500	1,479	4,021
Other general	15,000	2,947	12,053
Bad debt	-	592,700	(592,700)
Program	729,497	59,078	670,419
Fire Department			
Capital outlay	102,000	-	102,000
Public works			
Repairs and maintenance	180,000	24,432	155,568
<b>Total Expenditures</b>	<u>1,649,585</u>	<u>1,391,212</u>	<u>258,373</u>
Exceeds (Deficiency) of Revenues Over Expenditures	<u>(325,519)</u>	<u>(905,346)</u>	<u>(579,827)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	325,519	605,063	279,544
<b>Total Other Financing Sources (Uses)</b>	<u>325,519</u>	<u>605,063</u>	<u>279,544</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>(300,283)</u>	<u>\$ (300,283)</u>
<b>FUND BALANCE (DEFICIT), JANUARY 1</b>		<u>(365,851)</u>	
<b>FUND BALANCE (DEFICIT), DECEMBER 31</b>		<u>\$ (666,134)</u>	

CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 CAPITAL BOND FUND  
 For the Year Ended December 31, 2013

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Investment income	\$ 5,000	\$ 3,194	\$ (1,806)
Miscellaneous revenues			
Reimbursements	-	<u>32,581</u>	<u>32,581</u>
Total Revenues	<u>5,000</u>	<u>35,775</u>	<u>30,775</u>
<b>EXPENDITURES</b>			
Capital outlay			
City Hall elevator	64,489	57,338	7,151
Fire purchases	-	889	(889)
Police license plate recognition software	50,000	50,000	-
IT telephone infrastructure	200,000	87,683	112,317
Public works building purchase	140,000	141,808	(1,808)
Public works LUST tank repair	50,000	53,504	(3,504)
2012 bond - public works projects	<u>1,200,000</u>	<u>-</u>	<u>1,200,000</u>
Total Expenditures	<u>1,704,489</u>	<u>391,222</u>	<u>1,313,267</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,699,489)</u>	<u>(355,447)</u>	<u>1,344,042</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>228,986</u>	<u>310,086</u>	<u>81,100</u>
Total Other Financing Sources (Uses)	<u>228,986</u>	<u>310,086</u>	<u>81,100</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,470,503)</u>	<u>(45,361)</u>	<u>\$ 1,425,142</u>
FUND BALANCE, JANUARY 1		<u>2,165,612</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 2,120,251</u>	

## **FIDUCIARY FUNDS**

## CITY OF BERWYN, ILLINOIS

COMBINING STATEMENT OF NET POSITION  
PENSION TRUST FUNDS  
December 31, 2013

	Police Pension	Firefighters' Pension	Total
<b>ASSETS</b>			
Cash and investments			
Cash and cash equivalents	\$ 1,203	\$ 33,782	\$ 34,985
Investments			
U.S. Government and agency securities	8,165,850	4,057,422	12,223,272
Corporate bonds	10,156,302	4,442,549	14,598,851
Money market mutual funds	6,614,032	8,511,869	15,125,901
Equities	8,594,828	5,945,711	14,540,539
Equity mutual fund	26,758,528	13,665,988	40,424,516
Certificates of deposit	-	352,461	352,461
State and local obligations	1,056,063	325,952	1,382,015
Insurance contracts	12,117	111,247	123,364
Total Cash and Investments	<u>61,358,923</u>	<u>37,446,981</u>	<u>98,805,904</u>
Receivables			
Accrued interest	141,837	61,569	203,406
Other receivables	19,169	-	19,169
Due from governmental funds	23,409	24,416	47,825
Total Receivables	<u>184,415</u>	<u>85,985</u>	<u>270,400</u>
Prepays	1,525	775	2,300
Total Assets	<u>61,544,863</u>	<u>37,533,741</u>	<u>99,078,604</u>
<b>LIABILITIES</b>			
Accounts payable	21,514	21,547	43,061
Total Liabilities	<u>21,514</u>	<u>21,547</u>	<u>43,061</u>
<b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS</b>	<u>\$ 61,523,349</u>	<u>\$ 37,512,194</u>	<u>\$ 99,035,543</u>



## CITY OF BERWYN, ILLINOIS

COMBINING STATEMENT OF CHANGES IN NET POSITION  
PENSION TRUST FUNDS

For the Year Ended December 31, 2013

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	Police Pension	Firefighters' Pension	Total
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 17,431,790	\$ 17,538,697	\$ 34,970,487
Participants	<u>1,094,027</u>	<u>635,870</u>	<u>1,729,897</u>
Total Contributions	<u>18,525,817</u>	<u>18,174,567</u>	<u>36,700,384</u>
Investment Income			
Net appreciation in fair value of investments	3,988,640	2,299,925	6,288,565
Interest earned	1,631,555	706,954	2,338,509
Less investment expenses	<u>(96,909)</u>	<u>(57,343)</u>	<u>(154,252)</u>
Total Investment Income	<u>5,523,286</u>	<u>2,949,536</u>	<u>8,472,822</u>
Total Additions	<u>24,049,103</u>	<u>21,124,103</u>	<u>45,173,206</u>
<b>DEDUCTIONS</b>			
Administrative	72,238	58,758	130,996
Pension benefits and refunds	<u>4,121,553</u>	<u>4,021,361</u>	<u>8,142,914</u>
Total Deductions	<u>4,193,791</u>	<u>4,080,119</u>	<u>8,273,910</u>
NET INCREASE	19,855,312	17,043,984	36,899,296
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - JANUARY 1	<u>41,668,037</u>	<u>20,468,210</u>	<u>62,136,247</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - DECEMBER 31</b>	<u>\$ 61,523,349</u>	<u>\$ 37,512,194</u>	<u>\$ 99,035,543</u>

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## STATISTICAL SECTION

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
Financial Trends These schedules contain trend information to help the reader understand the City's financial performance and well-being have changed over time.	116 - 120
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	121 - 125
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	126 - 129
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	130 - 131
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	132 - 134

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

CITY OF BERWYN, ILLINOIS  
NET POSITION BY COMPONENTS  
Last Ten Fiscal Years

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>Governmental Activities</b>										
Net investment in capital assets	\$ (54,100,413)	\$ (42,547,755)	\$ (33,773,365)	\$ 7,399,270	\$ 3,546,131	\$ (17,667,300)	\$ (19,601,775)	\$ (25,148,350)	\$ (29,717,373)	\$ (34,842,103)
Restricted	13,427,436	10,591,506	14,154,458	13,268,265	13,191,114	15,724,685	22,265,090	14,690,665	13,216,304	10,139,735
Unrestricted	<u>(1,384,267)</u>	<u>(5,951,732)</u>	<u>(15,561,601)</u>	<u>(21,533,594)</u>	<u>(16,013,844)</u>	<u>(17,323,029)</u>	<u>(22,493,166)</u>	<u>(19,438,748)</u>	<u>(19,370,661)</u>	<u>(20,837,639)</u>
<b>Total Governmental Activities</b>	<b>\$ (42,057,244)</b>	<b>\$ (37,907,981)</b>	<b>\$ (35,180,508)</b>	<b>\$ (866,059)</b>	<b>\$ 723,401</b>	<b>\$ (19,265,644)</b>	<b>\$ (19,829,851)</b>	<b>\$ (29,896,433)</b>	<b>\$ (35,871,730)</b>	<b>\$ (45,540,007)</b>
<b>Business-type Activities</b>										
Net investment in capital assets	\$ 53,803,712	\$ 49,918,319	\$ 45,996,581	\$ 42,046,853	\$ 38,097,726	\$ 46,905,095	\$ 42,831,624	\$ 38,876,966	\$ 35,878,284	\$ 32,073,557
Restricted	-	-	-	-	-	-	812,614	698,324	-	-
Unrestricted	<u>3,373,650</u>	<u>4,320,618</u>	<u>5,126,822</u>	<u>4,771,633</u>	<u>4,837,469</u>	<u>4,960,027</u>	<u>4,045,965</u>	<u>3,098,670</u>	<u>3,188,554</u>	<u>4,727,886</u>
<b>Total Business-type Activities</b>	<b>\$ 57,177,362</b>	<b>\$ 54,238,937</b>	<b>\$ 51,123,403</b>	<b>\$ 46,818,486</b>	<b>\$ 42,935,195</b>	<b>\$ 51,865,122</b>	<b>\$ 47,690,203</b>	<b>\$ 42,673,960</b>	<b>\$ 39,066,838</b>	<b>\$ 36,801,443</b>
<b>Primary Government</b>										
Net investment in capital assets	\$ (296,701)	\$ 7,370,564	\$ 12,223,216	\$ 49,446,123	\$ 41,643,857	\$ 29,237,795	\$ 23,229,849	\$ 13,728,616	\$ 6,160,911	\$ (2,768,546)
Restricted	13,427,436	10,591,506	14,154,458	13,268,265	13,191,114	15,724,685	23,077,704	15,388,989	13,216,304	10,139,735
Unrestricted	<u>1,989,383</u>	<u>(1,631,114)</u>	<u>(10,434,779)</u>	<u>(16,761,961)</u>	<u>(11,176,375)</u>	<u>(12,363,002)</u>	<u>(18,447,201)</u>	<u>(16,340,078)</u>	<u>(16,182,107)</u>	<u>(16,109,753)</u>
<b>Total Primary Government</b>	<b>\$ 15,120,118</b>	<b>\$ 16,330,956</b>	<b>\$ 15,942,895</b>	<b>\$ 45,952,427</b>	<b>\$ 43,658,596</b>	<b>\$ 32,599,478</b>	<b>\$ 27,860,352</b>	<b>\$ 12,777,527</b>	<b>\$ 3,195,108</b>	<b>\$ (8,738,564)</b>

Note: The City delayed recording of their infrastructure assets until fiscal 2007.

Data Source: Audited Financial Statements

CITY OF BERWYN, ILLINOIS  
CHANGES IN NET POSITION  
Last Ten Fiscal Years

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>Expenses</b>										
<u>Governmental Activities</u>										
General government	\$ 2,522,183	\$ 3,950,982	\$ 4,102,604	\$ 3,784,866	\$ 3,704,316	\$ 3,985,591	\$ 4,039,444	\$ 4,474,679	\$ 3,143,434	\$ 3,636,642
Public safety	25,674,122	27,713,240	31,898,438	30,386,975	32,691,594	33,908,989	33,929,018	36,778,991	37,717,578	40,266,230
Public works	3,566,665	4,308,511	4,070,337	7,911,236	8,834,260	9,491,724	8,696,471	8,622,452	7,127,063	9,503,285
Economic development	2,381,472	4,113,882	5,553,608	4,822,636	4,422,771	7,524,769	5,934,648	11,210,313	5,295,179	8,341,981
Culture and recreation	3,596,705	3,939,759	3,821,004	4,378,740	4,482,379	4,422,112	4,604,469	5,065,032	4,786,867	4,853,831
Health and sanitation	3,375,652	3,639,509	2,532,495	3,793,645	3,979,436	4,004,624	4,265,730	4,086,307	-	-
Interest	3,287,663	3,491,041	3,230,567	3,810,963	4,605,725	4,644,552	4,588,249	4,891,883	4,989,927	5,555,103
Total Governmental Activities Expenses	<u>44,404,462</u>	<u>51,156,924</u>	<u>55,209,053</u>	<u>58,889,061</u>	<u>62,720,481</u>	<u>67,982,361</u>	<u>66,058,029</u>	<u>75,129,657</u>	<u>63,060,048</u>	<u>72,157,072</u>
<u>Business-type Activities</u>										
Utilities	8,306,455	7,933,640	8,390,828	9,406,507	9,219,236	9,675,323	10,754,990	11,432,263	16,557,127	16,767,182
Parking garage	-	-	-	-	-	104,318	263,619	275,896	273,185	260,988
Total Business-type Activities Expenses	<u>8,306,455</u>	<u>7,933,640</u>	<u>8,390,828</u>	<u>9,406,507</u>	<u>9,219,236</u>	<u>9,779,641</u>	<u>11,018,609</u>	<u>11,708,159</u>	<u>16,830,312</u>	<u>17,028,170</u>
Total Primary Government Expenses	<u>\$ 52,710,917</u>	<u>\$ 59,090,564</u>	<u>\$ 63,599,881</u>	<u>\$ 68,295,568</u>	<u>\$ 71,939,717</u>	<u>\$ 77,762,002</u>	<u>\$ 77,076,638</u>	<u>\$ 86,837,816</u>	<u>\$ 79,890,360</u>	<u>\$ 89,185,242</u>
<b>Program Revenues</b>										
<u>Governmental Activities</u>										
<u>Charges for Services</u>										
General government	\$ 2,905,720	\$ 3,025,435	\$ 3,575,623	\$ 2,532,861	\$ 2,338,313	\$ 2,281,261	\$ 2,565,532	\$ 2,691,846	\$ 2,052,284	\$ 2,182,551
Public safety	3,160,021	3,179,570	3,695,343	4,699,882	5,285,205	4,288,119	4,153,792	5,028,338	6,162,058	5,818,148
Public works	116,274	99,669	61,022	1,076,749	1,273,465	1,492,820	1,819,449	1,902,463	1,986,271	2,288,256
Culture and recreation	362,426	394,658	400,349	510,459	785,325	487,998	520,709	562,091	599,597	635,075
Health and sanitation	2,861,161	2,871,575	2,968,711	3,940,827	4,284,901	4,396,284	4,526,870	4,506,714	80,962	85,739
Economic development	-	38,326	26,765	-	-	-	-	-	-	-
Operating Grants and Contributions	4,333,823	5,471,424	2,859,123	4,108,493	4,141,684	4,254,621	4,699,635	4,684,682	3,636,003	3,035,643
Capital Grants and Contributions	-	-	2,277,698	1,275,193	1,185,936	2,906,195	4,178,890	1,641,462	660,589	1,746,077
Total Governmental Activities Program Revenues	<u>13,739,425</u>	<u>15,080,657</u>	<u>15,864,634</u>	<u>18,144,464</u>	<u>19,294,829</u>	<u>20,107,298</u>	<u>22,464,877</u>	<u>21,017,596</u>	<u>15,177,764</u>	<u>15,791,489</u>
<u>Business-type Activities</u>										
<u>Charges for Services</u>										
Utilities	5,455,034	4,907,882	5,075,488	4,958,994	5,285,856	5,801,624	6,585,935	6,319,419	12,758,778	14,445,691
Parking garage	-	-	-	-	-	-	119,871	135,019	149,306	212,255
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-type Activities Program Revenues	<u>5,455,034</u>	<u>4,907,882</u>	<u>5,075,488</u>	<u>4,958,994</u>	<u>5,285,856</u>	<u>5,801,624</u>	<u>6,705,806</u>	<u>6,454,438</u>	<u>12,908,084</u>	<u>14,657,946</u>
Total Primary Government Program Revenues	<u>\$ 19,194,459</u>	<u>\$ 19,988,539</u>	<u>\$ 20,940,122</u>	<u>\$ 23,103,458</u>	<u>\$ 24,580,685</u>	<u>\$ 25,908,922</u>	<u>\$ 29,170,683</u>	<u>\$ 27,472,034</u>	<u>\$ 28,085,848</u>	<u>\$ 30,449,435</u>
<b>Net (Expense) Revenue</b>										
Governmental Activities	\$ (30,665,037)	\$ (36,076,267)	\$ (39,344,419)	\$ (40,744,597)	\$ (43,425,652)	\$ (47,875,063)	\$ (43,593,152)	\$ (54,112,061)	\$ (47,882,284)	\$ (56,365,583)
Business-type Activities	<u>(2,851,421)</u>	<u>(3,025,758)</u>	<u>(3,315,340)</u>	<u>(4,447,513)</u>	<u>(3,933,380)</u>	<u>(3,978,017)</u>	<u>(4,312,803)</u>	<u>(5,253,721)</u>	<u>(3,922,228)</u>	<u>(2,370,224)</u>
Total Primary Government Net (Expense) Revenue	<u>\$ (33,516,458)</u>	<u>\$ (39,102,025)</u>	<u>\$ (42,659,759)</u>	<u>\$ (45,192,110)</u>	<u>\$ (47,359,032)</u>	<u>\$ (51,853,080)</u>	<u>\$ (47,905,955)</u>	<u>\$ (59,365,782)</u>	<u>\$ (51,804,512)</u>	<u>\$ (58,735,807)</u>

Note: The City moved its garbage collection (health and sanitation) activities from governmental activities to business-type activities for the year ended December 31, 2013.

CITY OF BERWYN, ILLINOIS  
CHANGES IN NET POSITION  
Last Ten Fiscal Years

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>General Revenues and Other Changes in Net Position</b>										
<u>Governmental Activities</u>										
Taxes										
Property	\$ 20,320,107	\$ 22,380,786	\$ 21,932,353	\$ 21,029,820	\$ 24,009,284	\$ 25,164,068	\$ 27,780,387	\$ 28,372,384	\$ 27,265,941	\$ 28,158,955
Sales	3,449,214	2,596,951	2,886,605	2,886,108	2,723,620	2,295,513	2,401,276	2,606,543	2,782,794	2,922,555
Home Rule Sales	1,854,171	1,894,374	1,957,207	2,011,687	2,000,041	1,688,743	1,834,332	1,923,750	2,073,705	2,156,948
Utility	3,487,508	4,234,714	3,979,120	4,178,301	4,548,527	4,050,262	4,124,813	4,018,344	3,594,627	3,630,961
Real Estate Transfer	2,978,685	3,250,800	2,915,139	1,565,735	989,133	1,028,125	913,411	915,913	1,047,766	1,379,577
Other	552,848	776,270	757,008	1,066,871	1,064,663	967,893	877,660	835,216	1,032,829	1,275,332
Income taxes	3,457,348	4,802,668	5,132,141	5,518,357	5,924,698	5,036,828	4,961,602	5,214,365	5,914,847	6,439,536
Investment Earnings	138,414	170,347	442,830	1,019,673	863,193	330,184	216,629	88,309	64,149	61,432
Gain on sale of capital assets	-	-	-	-	-	-	-	222,500	69,195	4,953
Miscellaneous	120,810	133,582	182,793	63,518	227,446	198,975	56,177	75,321	182,917	579,565
Transfers	-	(87,333)	-	-	-	(12,879,994)	(137,342)	(227,166)	(400,866)	(97,572)
Total Governmental Activities	<u>36,359,105</u>	<u>40,153,159</u>	<u>40,185,196</u>	<u>39,340,070</u>	<u>42,350,605</u>	<u>27,880,597</u>	<u>43,028,945</u>	<u>44,045,479</u>	<u>43,627,904</u>	<u>46,512,242</u>
<u>Business-type Activities</u>										
Investment Earnings	-	-	-	57,429	50,089	23,949	8,454	10,312	5,867	7,257
Miscellaneous	-	-	-	-	-	4,000	(7,912)	-	-	-
Transfers	-	87,333	-	-	-	12,879,994	137,342	227,166	400,866	97,572
Total Business-type Activities	<u>-</u>	<u>87,333</u>	<u>-</u>	<u>57,429</u>	<u>50,089</u>	<u>12,907,943</u>	<u>137,884</u>	<u>237,478</u>	<u>406,733</u>	<u>104,829</u>
Total Primary Government	<u>\$ 36,359,105</u>	<u>\$ 40,240,492</u>	<u>\$ 40,185,196</u>	<u>\$ 39,397,499</u>	<u>\$ 42,400,694</u>	<u>\$ 40,788,540</u>	<u>\$ 43,166,829</u>	<u>\$ 44,282,957</u>	<u>\$ 44,034,637</u>	<u>\$ 46,617,071</u>
Change in Net Position										
Governmental Activities	\$ 5,694,068	\$ 4,076,892	\$ 840,777	\$ (1,404,527)	\$ (1,075,047)	\$ (19,994,466)	\$ (564,207)	\$ (10,066,582)	\$ (4,254,380)	\$ (9,853,341)
Business-type Activities	(2,851,421)	(2,938,425)	(3,315,340)	(4,390,084)	(3,883,291)	8,929,926	(4,174,919)	(5,016,243)	(3,515,495)	(2,265,395)
Total Primary Government Change in Net Position	<u>\$ 2,842,647</u>	<u>\$ 1,138,467</u>	<u>\$ (2,474,563)</u>	<u>\$ (5,794,611)</u>	<u>\$ (4,958,338)</u>	<u>\$ (11,064,540)</u>	<u>\$ (4,739,126)</u>	<u>\$ (15,082,825)</u>	<u>\$ (7,769,875)</u>	<u>\$ (12,118,736)</u>

Note: For 2007, the building department expenditures of approximately \$1.7 million were recorded within the public works function but had previously been recorded as part of the public safety function.

Data Source: Audited Financial Statements

CITY OF BERWYN, ILLINOIS  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 Last Ten Fiscal Years

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund										
Reserved	\$ 419,443	\$ 5,237,810	\$ 684,885	\$ 642,046	\$ 582,439	\$ 610,349	\$ 384,632	\$ -	\$ -	\$ -
Unreserved	8,171,865	1,268,110	3,404,867	69,626	(434,196)	(234,524)	1,596,284	-	-	-
Nonspendable	-	-	-	-	-	-	-	409,721	846,629	890,155
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	372	749	27,741
Unassigned	-	-	-	-	-	-	-	4,086,449	5,951,993	9,143,348
Total General Fund	<u>\$ 8,591,308</u>	<u>\$ 6,505,920</u>	<u>\$ 4,089,752</u>	<u>\$ 711,672</u>	<u>\$ 148,243</u>	<u>\$ 375,825</u>	<u>\$ 1,980,916</u>	<u>\$ 4,496,542</u>	<u>\$ 6,799,371</u>	<u>\$ 10,061,244</u>
All Other Governmental Funds										
Reserved	\$ 13,427,436	\$ 14,587,806	\$ 17,101,126	\$ 17,062,795	\$ 19,643,461	\$ 15,724,685	\$ 22,265,090	\$ -	\$ -	\$ -
Unreserved, reported in										
Special Revenue Funds	24,128	18,312	-	(248,969)	(189,840)	178,493	(129,390)	-	-	-
Debt Service Funds	-	(1,072,188)	(3,028,916)	(1,319,907)	-	-	-	-	-	-
Capital Project Funds	627,504	631,279	357,607	21,969,161	17,175,732	5,268,804	3,801,219	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	17,546,853	14,301,432	10,250,023
Committed	-	-	-	-	-	-	-	1,732,894	2,184,339	2,138,978
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(420,533)	(365,851)	(666,134)
Total All Other Governmental Funds	<u>\$ 14,079,068</u>	<u>\$ 14,165,209</u>	<u>\$ 14,429,817</u>	<u>\$ 37,463,080</u>	<u>\$ 36,629,353</u>	<u>\$ 21,171,982</u>	<u>\$ 25,936,919</u>	<u>\$ 18,859,214</u>	<u>\$ 16,119,920</u>	<u>\$ 11,722,867</u>

Note: The unreserved general fund balance increased in 2004 due to the recording of proceeds from a short term borrowing. This borrowing was repaid in subsequent years from the debt service fund. Since the debt service fund did not levy for the repayment of this short-term debt, the unreserved fund balance in the debt service fund became negative. This deficit was corrected during 2008.

In 2011, the City adopted GASB Statement No. 54

Data Source: Audited Financial Statements

CITY OF BERWYN, ILLINOIS  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 Last Ten Fiscal Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues</b>										
Property taxes	\$ 20,320,107	\$ 22,380,786	\$ 21,932,353	\$ 21,029,820	\$ 24,009,284	\$ 25,164,068	\$ 27,780,387	\$ 28,372,384	\$ 27,265,941	\$ 28,158,955
Other taxes	15,927,542	17,555,778	17,627,219	16,851,908	16,860,593	14,692,004	14,819,782	15,214,946	16,622,978	17,933,118
Licenses and permits	4,605,640	4,628,463	2,474,544	2,444,530	2,476,742	2,368,969	2,896,170	3,005,807	2,885,225	3,143,853
Intergovernmental	4,726,906	5,872,817	5,567,284	5,218,266	4,604,635	5,983,259	7,842,004	5,980,498	3,707,916	4,191,527
Fines and forfeitures	2,354,896	2,340,519	2,113,542	3,462,077	4,179,977	3,810,712	4,156,023	4,932,053	5,668,874	5,398,149
Charges for services	1,861,510	1,884,002	5,171,263	5,966,322	6,368,630	7,936,434	5,665,356	5,668,389	1,783,072	1,743,419
Contributions	-	-	-	-	-	-	900,000	-	-	-
Investment income	138,414	170,346	442,376	1,001,246	870,564	329,883	216,629	88,284	64,149	61,432
Miscellaneous	311,283	488,438	721,249	1,266,938	1,352,027	1,456,353	1,308,948	1,805,376	1,139,184	1,611,112
<b>Total Revenues</b>	<b>50,246,298</b>	<b>55,321,149</b>	<b>56,049,830</b>	<b>57,241,107</b>	<b>60,722,452</b>	<b>61,741,682</b>	<b>65,585,299</b>	<b>65,067,737</b>	<b>59,137,339</b>	<b>62,241,565</b>
<b>Expenditures</b>										
General government	4,330,211	3,881,802	3,769,646	3,628,208	3,582,290	3,787,572	4,042,809	4,302,988	3,170,604	3,638,505
Public safety	26,433,181	27,028,841	30,158,970	30,171,443	30,205,766	31,337,122	33,410,292	34,166,965	36,316,079	66,411,752
Highways and streets	3,383,133	4,072,069	3,831,925	5,522,486	5,887,924	5,935,836	6,271,908	6,766,808	6,449,583	6,731,412
Health & welfare	3,375,652	3,639,509	2,516,150	3,793,645	3,979,436	4,004,624	4,265,730	4,086,307	-	-
Culture and recreation	3,557,923	3,527,966	3,620,208	4,089,133	4,060,655	4,095,092	4,370,606	5,020,555	4,788,958	4,769,354
Economic development	2,359,178	4,099,439	3,580,521	4,821,508	6,374,928	8,593,042	8,653,372	11,201,125	5,232,219	6,777,084
Capital outlay	519,996	430,201	2,785,959	2,090,822	5,914,145	14,730,640	789,294	1,380,811	1,921,092	2,140,402
Debt service										
Principal	7,163,850	17,666,069	16,088,740	16,700,209	935,958	2,702,084	5,180,161	3,520,161	4,949,818	4,490,658
Interest	3,022,621	3,217,344	3,323,375	3,558,413	4,346,090	4,414,093	4,353,525	4,660,159	4,718,742	4,842,213
Other charges	427,932	69,800	53,835	767,099	379,643	381,331	291,127	170,760	227,726	406,107
<b>Total Expenditures</b>	<b>54,573,677</b>	<b>67,633,040</b>	<b>69,729,329</b>	<b>75,142,966</b>	<b>65,666,835</b>	<b>79,981,436</b>	<b>71,628,824</b>	<b>75,276,639</b>	<b>67,774,821</b>	<b>100,207,487</b>
Excess (deficiency) of revenues over (under) expenditures	(4,327,379)	(12,311,891)	(13,679,499)	(17,901,859)	(4,944,383)	(18,239,754)	(6,043,525)	(10,208,902)	(8,637,482)	(37,965,922)
<b>Other Financing Sources (Uses)</b>										
Transfers in	-	2,809,300	2,312,014	11,921,682	2,752,592	5,030,945	4,540,465	5,468,574	5,812,370	2,537,321
Transfers (out)	-	(2,896,633)	(2,312,014)	(11,921,682)	(2,752,592)	(6,280,945)	(5,540,465)	(5,468,574)	(5,812,370)	(2,537,321)
Debt issued	28,946,250	10,346,509	11,514,507	49,705,827	8,175,930	13,315,594	13,150,000	5,469,719	8,500,000	36,315,532
Premium (discount) on bonds issued	2,015,998	-	-	1,146,682	(64,086)	117,032	258,302	(53,184)	(368,178)	170,408
Transfer to bond escrow agent	(21,379,191)	-	-	(12,802,600)	(7,379,125)	(9,317,377)	-	-	-	-
Sale of property	-	-	-	-	-	-	-	-	-	154,785
Sale of capital assets	-	-	-	-	150,000	139,298	5,251	230,288	69,195	4,953
<b>Total Other Financing Sources (Uses)</b>	<b>9,583,057</b>	<b>10,259,176</b>	<b>11,514,507</b>	<b>38,049,909</b>	<b>882,719</b>	<b>3,004,547</b>	<b>12,413,553</b>	<b>5,646,823</b>	<b>8,201,017</b>	<b>36,645,678</b>
<b>Net Change in Fund Balances</b>	<b>\$ 5,255,678</b>	<b>\$ (2,052,715)</b>	<b>\$ (2,164,992)</b>	<b>\$ 20,148,050</b>	<b>\$ (4,061,664)</b>	<b>\$ (15,235,207)</b>	<b>\$ 6,370,028</b>	<b>\$ (4,562,079)</b>	<b>\$ (436,465)</b>	<b>\$ (1,320,244)</b>
Debt Service as a Percentage of Noncapital Expenditures	18.76%	31.32%	28.02%	27.32%	8.27%	9.83%	13.70%	11.37%	14.68%	9.52%

Note: Debt refundings that occurred during 2007 through 2009 had the effect of spreading debt service requirements of a longer period of time thereby reducing required principal payments in 2008 and 2009.

Data Source: Audited Financial Statements

CITY OF BERWYN, ILLINOIS  
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Income Tax</u>	<u>Sales Tax</u>	<u>Home Rule Sales Tax</u>	<u>Personal Prop. Replacement</u>	<u>Municipal Utility Tax</u>	<u>Liquor Tax</u>	<u>Real Estate Transfer Tax</u>	<u>Gas Tax</u>	<u>Motor Fuel Tax</u>	<u>Other Taxes</u>
2004	\$ 20,320,107	\$ 3,457,348	\$ 3,449,214	\$ 1,854,171	\$ 147,768	\$ 3,469,342	\$ 164,638	\$ 2,978,685	\$ 225,854	\$ 1,581,245	\$ 180,522
2005	22,380,786	4,802,668	2,596,951	1,894,374	203,122	4,234,714	166,306	3,250,800	217,682	1,611,115	189,161
2006	21,932,353	5,132,141	2,886,605	1,957,207	218,026	3,979,120	169,765	2,915,139	208,602	1,602,221	160,614
2007	21,029,820	5,518,357	2,886,108	2,011,687	257,851	4,178,301	162,672	1,565,735	146,093	1,542,999	125,104
2008	24,009,284	5,924,698	2,723,620	2,000,041	254,006	4,548,527	154,261	989,133	174,869	1,587,463	91,438
2009	25,164,068	5,036,828	2,295,513	1,688,743	214,288	4,050,262	165,310	1,028,125	146,188	1,416,084	66,747
2010	27,780,387	4,961,602	2,401,276	1,834,332	253,095	4,124,813	135,614	913,411	137,384	1,764,689	23,990
2011	28,372,384	5,214,365	2,606,543	1,923,750	211,903	4,018,344	143,149	915,913	126,056	1,610,518	18,238
2012	27,265,941	5,914,847	2,782,794	2,073,705	204,750	3,594,627	161,272	1,047,766	287,116	1,559,747	556,101
2013	28,158,955	6,439,536	2,922,555	2,156,948	234,257	3,630,961	170,120	1,379,577	327,833	1,662,129	671,331

Motor Fuel Tax is presented as Intergovernmental Revenue on page 32.

In 2010, 2011, 2012 and 2013, an additional \$234,574 was received each year for Motor Fuel Tax pursuant to the capital bill passed by the State of Illinois

Data Source: Audited Financial Statements



CITY OF BERWYN, ILLINOIS  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Less: Exemptions	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Taxable Value As a Percentage
2003	\$ 549,947,802	\$ 143,105,633	\$ 42,369,503	\$ 104,519,909	\$ 630,903,029	2.95	\$ 1,892,709,087	33.333%
2004	575,936,497	144,154,771	44,162,422	117,952,634	646,301,056	2.90	1,938,903,168	33.333%
2005	853,293,634	171,983,602	54,227,847	278,528,880	800,976,203	2.22	2,402,928,609	33.333%
2006	847,136,756	166,320,099	53,871,866	267,186,564	800,142,157	2.22	2,400,426,471	33.333%
2007	889,222,360	167,643,270	55,748,222	277,382,974	835,230,878	2.45	2,505,692,634	33.333%
2008	1,051,667,154	194,366,973	61,988,558	389,516,640	918,506,045	2.22	2,755,518,135	33.333%
2009	1,002,325,200	175,398,379	49,149,463	312,780,439	914,092,603	2.56	2,742,277,809	33.333%
2010	975,950,089	164,126,542	48,951,651	254,326,179	934,702,103	2.63	2,804,106,309	33.333%
2011	687,305,686	141,302,119	42,209,450	118,146,785	752,670,470	3.38	2,258,011,410	33.333%
2012	644,134,872	111,364,217	38,470,545	106,334,374	687,635,260	3.82	2,062,905,780	33.333%

Note: Property in the City is reassessed each year. Property is assessed at 33% of actual value. Total Direct Tax Rate includes the City of Berwyn Library.

Note 2: Information for the 2013 levy year is not yet available

Data Source

Office of the County Clerk

CITY OF BERWYN, ILLINOIS  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
Last Ten Levy Years

<u>Tax Levy Year</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>City Direct Rates</b>										
General	0.49	0.47	0.41	0.31	0.84	0.94	1.29	1.34	2.18	2.33
Bond & Interest	1.67	1.64	1.14	1.15	0.81	0.55	0.54	0.53	0.26	0.30
City of Berwyn Library	0.21	0.21	0.17	0.18	0.31	0.28	0.28	0.32	0.40	0.45
Police Pension	0.29	0.29	0.24	0.28	0.24	0.22	0.22	0.21	0.26	0.36
Fire Pension	0.29	0.29	0.26	0.30	0.25	0.23	0.23	0.23	0.28	0.38
Total Direct Rate	2.95	2.90	2.22	2.22	2.45	2.22	2.56	2.63	3.38	3.82
<b>Overlapping Rates</b>										
Cook County	0.69	0.65	0.59	0.56	0.50	0.47	0.44	0.47	0.47	0.53
Metropolitan Water Rec.	0.36	0.35	0.32	0.28	0.26	0.25	0.26	0.27	0.32	0.37
School District #100	2.97	2.97	2.55	2.62	2.57	2.44	2.49	2.50	3.20	3.65
High School District #201	2.31	2.30	1.93	2.00	1.96	1.84	1.85	1.86	2.45	2.73
Berwyn Park District	0.31	0.32	0.27	0.32	0.32	0.30	0.31	0.31	0.32	0.37
Community College #527	0.47	0.47	0.40	0.42	0.41	0.39	0.39	0.39	0.50	0.56
Other	0.23	0.19	0.18	0.17	0.18	0.16	0.19	0.17	0.30	0.31

Data Source

Office of the County Clerk

CITY OF BERWYN, ILLINOIS  
 PRINCIPAL PROPERTY TAX PAYERS  
 CURRENT YEAR AND NINE YEARS AGO

<u>Taxpayer</u>	2013			2004		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Valuation</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Valuation</u>
MacNeal Memorial Hospital	\$ 23,111,742	1	3.36%	\$ 28,367,299	1	4.39%
Concordia Realty	11,886,059	2	1.73%	-	N/A	0.00%
Shurgard	3,241,158	3	0.47%	1,330,430	10	0.21%
Citizens Bank, Illinois	2,384,681	4	0.35%	2,043,120	7	0.32%
Fairfax	2,161,782	5	0.31%	2,445,307	5	0.38%
McDonald's Co.	2,137,595	6	0.31%	2,219,950	6	0.34%
Turanno Baking Company	1,463,917	7	0.21%	1,645,530	8	0.25%
Harris Bank NA	1,393,253	8	0.20%	2,664,141	4	0.41%
SKS	1,274,994	9	0.19%	2,925,125	3	0.45%
ICG Inc.	1,171,801	10	0.17%	-	N/A	0.00%
Cermak Plaza Associates	-	N/A	0.00%	10,313,720	2	1.60%
MidAmerica	-	N/A	0.00%	1,577,480	9	0.24%
	<u>\$ 50,226,982</u>		<u>7.30%</u>	<u>\$ 55,532,100</u>		<u>8.59%</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

CITY OF BERWYN, ILLINOIS  
PROPERTY TAX LEVIES AND COLLECTIONS  
Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2003	\$ 18,667,126.00	\$ 17,773,476.00	95.21%	\$ 511,886.27	\$ 18,285,362.27	97.95%
2004	18,759,051	18,834,722	100.40%	(548,939)	18,285,783	97.48%
2005	17,806,429	17,531,870	98.46%	(573,276)	16,958,594	95.24%
2006	17,756,831	17,312,068	97.50%	(390,389)	16,921,679	95.30%
2007	20,425,153	19,453,602	95.24%	527,941	19,981,543	97.83%
2008	20,382,055	19,773,142	97.01%	(7,334)	19,765,808	96.98%
2009	23,423,263	22,487,727	96.01%	271,138	22,758,865	97.16%
2010	24,566,570	23,449,327	95.45%	544,928	23,994,255	97.67%
2011	25,433,824	24,642,152	96.89%	385,566	25,027,718	98.40%
2012	26,236,151	25,210,666	96.09%	-	25,210,666	96.09%

Note: Property in the City is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

CITY OF BERWYN, ILLINOIS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of	
	General Obligation Bonds **	Installment & Mortgage Notes Payable ***	Capital Leases	General Obligation Bonds	Installment Notes Payable	Capital Leases		Personal Income*	Per Capita*
2004	78,725,566	248,587	355,814	-	-	-	79,329,967	7.68%	1,469
2005	72,273,803	135,720	551,029	-	-	-	72,960,552	6.18%	1,299
2006	65,506,016	2,494,313	468,203	-	-	-	68,468,532	5.80%	1,219
2007	86,297,397	2,244,257	318,877	-	-	-	88,860,531	7.53%	1,582
2008	86,468,157	2,014,738	537,770	-	-	-	89,020,665	7.54%	1,585
2009	88,113,519	1,357,654	758,641	-	-	-	90,229,814	7.64%	1,606
2010	92,338,716	5,202,493	550,854	850,000	-	-	98,942,063	8.48%	1,746
2011	94,308,972	5,047,332	576,510	2,945,000	-	-	102,877,814	8.81%	1,816
2012	100,493,032	3,527,514	367,195	2,946,288	-	-	107,334,029	9.20%	1,894
2013	132,476,956	3,096,854	439,123	2,946,153	-	-	138,959,086	11.91%	2,453

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

\* See the Schedule of Demographic and Economic Information on page 130 for personal income and population data.

\*\* \$7,730,000 of general obligation bonds outstanding at 12/31/09 were paid off on 1/1/10. Therefore, this amount has been excluded from these figures so as not to distort the comparison.

\*\*\* Included in Installment & Mortgage Notes Payable is a \$4 million note related to property acquired by the City in 2010 in lieu of paying a \$1.5 million guarantee made in 2007 on a defaulted car dealership loan. See notes for more details

CITY OF BERYWN, ILLINOIS  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
Last Ten Fiscal Years

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Fiscal Year	General Obligation Bonds	Less: Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2004	\$ 78,725,566	\$ 235,033	\$ 78,490,533	4.05%	\$ 1,453.10
2005	72,273,803	(1,072,188)	73,345,991	3.05%	1,305.55
2006	65,506,016	(3,028,916)	68,534,932	2.86%	1,219.92
2007	86,297,397	(1,319,907)	87,617,304	3.50%	1,559.58
2008	86,468,157	1,586,221	84,881,936	3.08%	1,510.89
2009	88,113,519	646,714	87,466,805	3.19%	1,556.90
2010	93,212,111	432,650	92,779,461	3.31%	1,637.56
2011	97,255,395	500,884	96,754,511	4.28%	1,707.72
2012	102,416,149	521,329	101,894,820	4.94%	1,798.45
2013	134,486,435	641,874	133,844,561	N/A	2,362.37

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

\* See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 122 for property value data.

CITY OF BERWYN, ILLINOIS  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
December 31, 2013

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<u>Governmental unit</u>	<u>Gross Debt</u>	<u>Percentage Debt Applicable to the City of Berwyn(1)</u>	<u>City of Berwyn Share of Debt</u>
City of Berwyn	\$ 136,012,933	100.00%	\$ 136,012,933
Cook County	3,719,535,000	0.51%	18,969,629
Cook County Forest Preserve District	131,500,000	0.51%	670,650
Metropolitan Water Reclamation District	2,296,170,090	0.52%	11,940,084
Berwyn Park District	1,970,000	100.00%	1,970,000
North Berwyn Park District	540,000	100.00%	540,000
Schools			
Elementary District No. 100	35,210,000	100.00%	35,210,000
High School District No. 201	42,013,177	42.51%	17,859,802
Community College District No. 527	<u>5,580,000</u>	42.51%	<u>2,372,058</u>
	<u>6,232,518,267</u>		<u>89,532,223</u>
	<u>\$ 6,368,531,200</u>		<u>\$ 225,545,156</u>

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

Data Source

Cook County Clerk

CITY OF BERWYN, ILLINOIS  
SCHEDULE OF LEGAL DEBT MARGIN  
December 31, 2013

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Under the 1970 Illinois Constitution, there is no legal limit for home rule municipalities except as set by the General Assembly.



CITY OF BERWYN, ILLINOIS  
DEMOGRAPHIC AND ECONOMIC INFORMATION  
Last Ten Fiscal Years

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<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2013	56,657	\$ 1,195,519,357	\$ 21,101	10.0%
2012	56,657	1,167,190,857	20,601	9.6
2011	56,657	1,167,190,857	20,601	9.8
2010	56,657	1,167,190,857	20,601	11.8
2009	56,180	1,180,397,980	21,011	11.5
2008	56,180	1,180,397,980	21,011	7.0
2007	56,180	1,180,397,980	21,011	5.3
2006	56,180	1,180,397,980	21,011	4.7
2005	56,180	1,180,397,980	21,011	6.6
2004	54,016	1,032,407,808	19,113	6.8

Data Source

U.S. Department of Commerce, Bureau of the Census  
and State of Illinois Department of Employment Security

CITY OF BERWYN, ILLINOIS  
PRINCIPAL EMPLOYERS  
Current Year and Nine Years Ago

2013			2004		
Employer	Number of Employees	% of Total City Employment	Employer	Number of Employees	% of Total City Employment
MacNeal Memorial Hospital	2,200	16.52%	MacNeal Memorial Hospital	1,800	13.51%
Morton West High School *	1,000	7.51%	Berwyn South School	418	3.14%
City of Berwyn	550	4.13%	Morton West High School	415	3.12%
Berwyn South School	456	3.42%	City of Berwyn	375	2.82%
Berwyn North School	370	2.78%	Turano Baking Company	300	2.25%
Campagna-Turano Baking Co.	300	2.25%	Berwyn North School District	250	1.88%
Rosin Eyecare	85	0.64%	Commercial National Bank of Berwyn	149	1.12%
Transloading Specialist, Inc.	50	0.38%	Community Care Options	140	1.05%
Citizens Community Bank	35	0.26%	Rosin Optical Co., Inc.	125	0.94%
Physician's Record Co.	35	0.26%	BP Products N.A.	90	0.68%

\* Includes part-time employees

Data Source

Phone canvas of employers, 2013 Illinois Service Directory and 2013 Illinois Manufacturer Directory  
2003 Illinois Services and Manufacturing Directories and a phone canvas of employers

CITY OF BERWYN, ILLINOIS  
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
 Last Ten Fiscal Years

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<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Government										
Administration	8	9	16	16	17	16	15	15	15	13
Finance	16	17	19	19	12	12	12	16	15	15
Community Development	11	17	16	16	16	16	18	17	16	17
Public Safety										
Police										
Officers	92	92	98	101	101	104	106	107	110	107
Civilians	57	44	53	56	25	56	34	38	34	39
Fire										
Firefighters and officers	66	66	66	66	66	68	66	78	80	80
Civilians	2	2	2	2	2	1	1	1	1	1
Public Works	53	55	48	48	48	44	38	36	34	39
Culture & Recreation	59	52	58	59	59	58	44	41	41	41

Data Source

City payroll office

CITY OF BERWYN, ILLINOIS  
OPERATING INDICATORS  
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Public Safety										
Police										
Physical arrests	1,670	2,276	2,795	2,002	2,054	2,815	3,971	2,237	2,189	1,995
Parking violations	100,228	78,231	65,277	66,442	67,941	67,941	41,641	44,569	61,046	64,778
Traffic tickets issued	3,045	2,118	9,043	1,101	1,193	11,020	20,762	19,057	16,084	14,129
Fire										
Emergency responses	6,726	8,956	8,566	9,539	9,308	8,413	6,557	6,624	6,642	7,076
Fires extinguished	220	211	190	333	114	139	199	146	174	151
Public Works										
Streeting resurfacing (miles)	1.1	0.4	1.3	0.0	0.0	2.0	0.0	0.0	0.0	1.1
Pothole repairs	1,235	1,329	1,465	1,515	1,576	1,692	2,769	3,500	4,100	4,500
Water										
New connections	8	-	3	2	3	1	14	13	9	17
Water main breaks	142	154	251	322	317	233	168	142	129	107
Average daily consumption	5.88 MGD	5.98 MGD	6.01 MGD	6.02 MGD	6.08 MGD	5.88 MGD	5.41 MGD	5.13 MGD	5.08 MGD	4.98 MGD
Peak daily consumption	7.99 MGD	8.03 MGD	9.12 MGD	7.89 MGD	8.21 MGD	9.03 MGD	6.50 MGD	6.67 MGD	6.91 MGD	5.79 MGD

MGD = million gallons per day

Data Source

Various city departments

CITY OF BERWYN, ILLINOIS  
 CAPITAL ASSET STATISTICS BY FUNCTION  
 Last Ten Fiscal Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Public Safety</b>										
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	N/A	N/A	37	52	47	58	78	74	81	81
<b>Fire</b>										
Fire stations	3	3	3	3	2	3	3	3	3	3
Fire engines and trucks	4	4	4	4	4	4	4	4	5	5
<b>Public Works</b>										
Arterial streets (miles)	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4
Residential streets (miles)	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0
Streetlights	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050
Traffic signals (intersections)	9	9	9	9	9	9	9	9	9	9
<b>Water</b>										
Water mains (miles)	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0
Fire hydrants	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053
Storage capacity (gallons)	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000
<b>Wastewater</b>										
Sanitary sewers (miles)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Storm sewers (miles)	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0

Data Source

Various city departments