

# City of Berwyn, Illinois



***A Century of Progress with Pride***

Comprehensive Annual Financial Report

For the Year Ended December 31, 2014

**CITY OF BERWYN, ILLINOIS**  
**COMPREHENSIVE ANNUAL**  
**FINANCIAL REPORT**  
For the Fiscal Year Ended December 31, 2014

Prepared by: Finance Department

CITY OF BERWYN, ILLINOIS

Berwyn, Illinois

COMPREHENSIVE ANNUAL FINANCIAL REPORT

December 31, 2014

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CITY OF BERWYN, ILLINOIS

Berwyn, Illinois

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Berwyn, Illinois

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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](http://www.berwyn-il.gov)

June 7, 2015

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, 2015) 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, 2014.

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 has been 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, 2014. The independent auditors’ report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditors’ 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 56,657 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 appoints the following staff, with the advice and consent of the City Council, administrative assistants, budget and finance director, heads of all departments, members of commissions, and boards, except those covered by civil service. The powers of the city council are legislative in nature.



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 categorized 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 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 continues to remain below peak levels with an amount received of \$1.79 million in 2014. However, the increase in real estate transfer tax revenue from 2013 to 2014 was 30% and from 2012 to 2013 was 32%. These increases are reason for optimism that this revenue stream is incrementally returning to pre-recession levels.

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 improved revenues and that positive growth continued in 2014. For example, sales tax revenues increased 2% from 2013. Additionally, local improvement permit revenue increased by 23% over 2013 and was nearly \$234,000 over budget. As those revenues have experienced growth, the municipal utility tax also experienced a 2% growth.

The City continues to benefit from the implementation of a video gaming tax in 2012. Video gaming taxes yielded \$135,000 in 2013, its first full year of being implemented. In 2014, the Video gaming tax revenue was \$252,663, an increase of 86% from the prior year.

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

In spite of an extremely 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 Berwyn Development Corporation, to assemble properties in our TIF districts for new developments. A key property located at the southwest corner of Oak Park Avenue and Cermak Road, was developed into a

viable commercial property, Big Hurt Brewery that opened for business in 2014. The City also partnered with a developer to place several new pieces of property under contract in 2014 in order to continue the success of Berwyn Gateway Plaza located northeast of Harlem and Cermak.

The City has continued its plan to restructure long term debt taking advantage of lower interest rates. Due to excellent fiscal management, while other municipalities were being downgraded, the City maintained an A rating from Standard & Poor's. 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 16% in 2014 for the seventh consecutive year. 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 \$4.3 million in 2014 in the general fund. Since 2008, the fund balance in the general fund has increased by \$14.17 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 an 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 the unassigned fund balance by \$4.26 million to finish the year at \$13.37 million. A number of revenue enhancements combined with a continuation of the debt restructuring plan and continued efforts to reduce costs, contributed to the progress made in building a fund balance in spite of the economy.

The internal service fund (ISF), which accounts for the City's liability, workers compensation and other insurance costs, has had a deficit net position balance since the end of 2004. In 2012, the City made it a goal to eliminate the deficit during that year and was able to fund the ISF to a level that created a surplus of \$1.7 million. The City has continued to maintain this surplus and as of December 31, 2014, the net position in the ISF was \$2.4 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 ISF based on charges to other funds and departments of 115% of the prior year's claim expenses. This policy was adopted several years ago with the intent of reducing the deficit over time. During 2014, actual charges to other funds and departments were increased to \$2.3 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 conservative budgeting and fiscally responsible accounting principles, Berwyn's best days are ahead. To accomplish this financial goal, the City has undertaken the following financial initiatives:

- **Maintain Fund Balance:** In 2013, Berwyn met its funding policy's goal of achieving a minimum fund balance equal to 16% of the prior year's operating expenditures. The City has continued to meet this target in 2014, and through a strong and stable fund balance, the City has begun to insulate itself from unanticipated 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 experienced 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 responsible budgeting, frugal management and strict financial oversight, the fund balance in the general fund is over \$14.3 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 Berwyn Development Corporation, the City manages three mature TIF districts and one new one.

Notable projects completed in 2014 include the grand opening of Frank Thomas's Big Hurt Brew House. The Brew House occupies a longtime vacant building at the corner of Oak Park and Cermak, and received a Chicagoland Realtor's Association Good Neighbor Award for outstanding renovation on an historic structure. Big Hurt Brew House will add a co-tenant of Home Run Inn to this development in 2015. The City also had another major neighborhood grocery store open in the South Berwyn Corridor. Familia Fresh Market renovated and opened in 2014 to fill a notable vacancy. The City's largest commercial property, Cermak Plaza, continued with its renovations and created new retail space in 2014 with the development and opening of Long Horn Steakhouse as well as the Gap outlet. In total, the City hosted 19 grand openings in 2014. An additional 25,000 square feet of new retail will be added to Cermak Plaza with the completion of the current construction for Ross Dress for Less.

Expected activity in 2015 includes the acquisition and redevelopment of the full commercial block on Cermak Road between Wisconsin Avenue and Maple Avenue in order to continue the success of Berwyn Gateway Plaza. The development will create over 15,000 square feet of new retail space. Torres Fresh Market is another significant development that is expected to open in 2015 on 26th Street. This development could be a building block for additional development on the underutilized 26th Street corridor.


### **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, 2013. In order to receive this prestigious award, the City had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

Our 2014 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 award.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire finance and mayor's office department staff. We wish to express our appreciation to all members of the departments 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



Rasheed Jones  
Finance Director



Government Finance Officers Association

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

Presented to

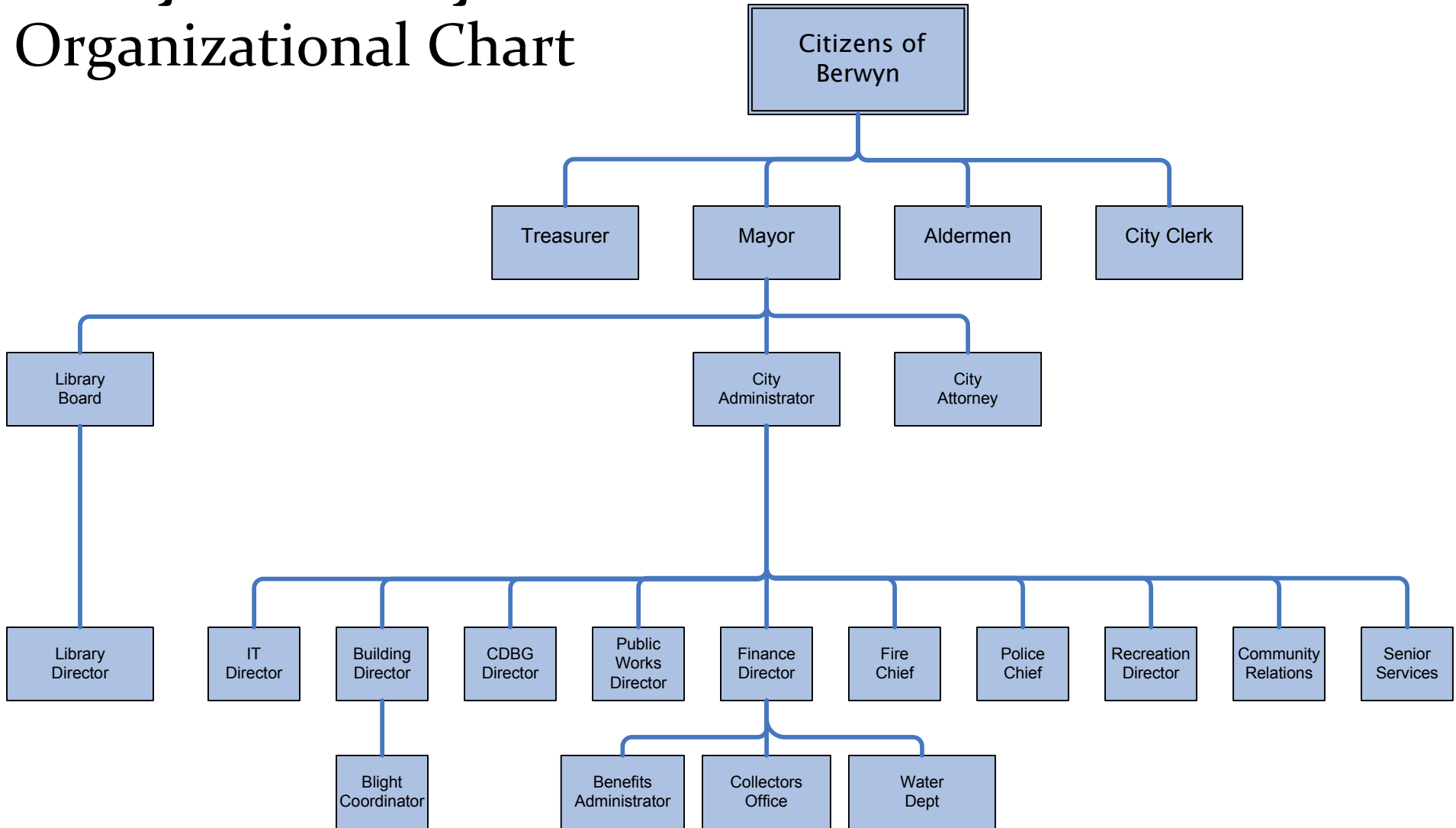
**City of Berwyn  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

Executive Director/CEO

# City of Berwyn Organizational Chart



**City of Berwyn  
List of Elected and Appointed Officials  
December 31, 2014**

**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
TBA	Director, Library Services
Regina Mendicino	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
Rasheed Jones	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, 2014 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.

## **Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of funding progress and employer contributions 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 basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 7, 2015 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* in considering the City's internal control over financial reporting and compliance.

Naperville, Illinois  
June 7, 2015

A handwritten signature in black ink, appearing to read "Sibich CP". The signature is written in a cursive style with a large, looped "P" at the end.

**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, 2014.

#### **Financial Highlights**

At the end of the current fiscal year, fund balance for the General Fund, the main operating fund of the City, was \$14,316,430, an increase of \$4,255,183, or 42% 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 \$23,552,627, an increase of \$1,768,516 in comparison with the prior year. While the general fund experienced a considerable increase during the year, a large portion of that increase was offset by the decrease within the Neighborhood Stabilization Program (NSP) fund. The NSP fund decreased by over \$1.5 million as the City sold a large number of previously acquired properties at a price below market value, in accordance with the purpose of the grant program.

In 2014, the City's total net position decreased by \$4,192,009. The occurred primarily due to governmental and business-type assets being depreciated based upon annual usage of these 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 \$12,930,573. The City has deficit unrestricted net position of \$12,467,990 at year end.

#### **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 non-major 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 2014 Statement of Net Position for both governmental and business-type activities:

**City of Berwyn Net Position**

	Governmental activities		Business-Type activities		Total	
	2014	2013	2014	2013	2014	2013
Capital Assets	\$ 53,497,174	53,509,762	\$ 32,193,671	\$ 34,396,986	\$ 85,690,845	\$ 87,906,748
Other Assets	81,504,338	79,974,600	9,363,735	8,276,060	90,868,073	88,250,660
Total assets	135,001,512	133,484,362	41,557,406	42,673,046	176,558,918	176,157,408
Total deferred outflows of resources	2,173	224,471	-	-	2,173	224,471
Current liabilities	6,837,680	5,939,376	3,621,407	2,822,131	10,459,087	8,761,507
Long-term liabilities	144,561,771	145,332,258	5,117,205	3,049,472	149,678,976	148,381,730
Total liabilities	151,399,451	151,271,634	8,738,612	5,871,603	160,138,063	157,143,237
Total deferred inflows of resources	29,353,601	27,977,206	-	-	29,353,601	27,977,206
Invested in capital assets net of related debt	(35,980,196)	(34,842,103)	27,665,507	32,073,557	(8,314,689)	(2,768,546)
Restricted	7,852,106	10,139,735	-	-	7,852,106	10,139,735
Unrestricted	(17,621,277)	(20,837,639)	5,153,287	4,727,886	(12,467,990)	(16,109,753)
Total net position	\$ (45,749,367)	\$ (45,540,007)	\$ 32,818,794	\$ 36,801,443	\$ (12,930,573)	\$ (8,738,564)

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

**Governmental activities**

The City's governmental activities capital assets decreased in 2014 by approximately \$13,000.

Current liabilities increased \$900,000 from 2013. This was mainly due to the timing of accounts payable and payroll accruals at year end.

Long-term liabilities decreased \$800,000. This occurred primarily as a result of a \$650,000 reduction in long-term claims payable.

The decrease in restricted net position is primarily in funds restricted for economic development which dropped by \$2.3 million. The majority of this decrease was due to a number of NSP assets being sold below market value as mentioned previously.

**Business-Type activities**

Capital assets decreased as a result of depreciation during the year. Other assets increased mainly due to increases in accounts receivable related to infrastructure grant funds received after year end. The increase in current liabilities is the result of higher accounts payable balances than in the prior year. Long-term liabilities increased due to a portion of the 2014 bond issue being assigned to the Utility fund for infrastructure and flood mitigation projects.



## 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

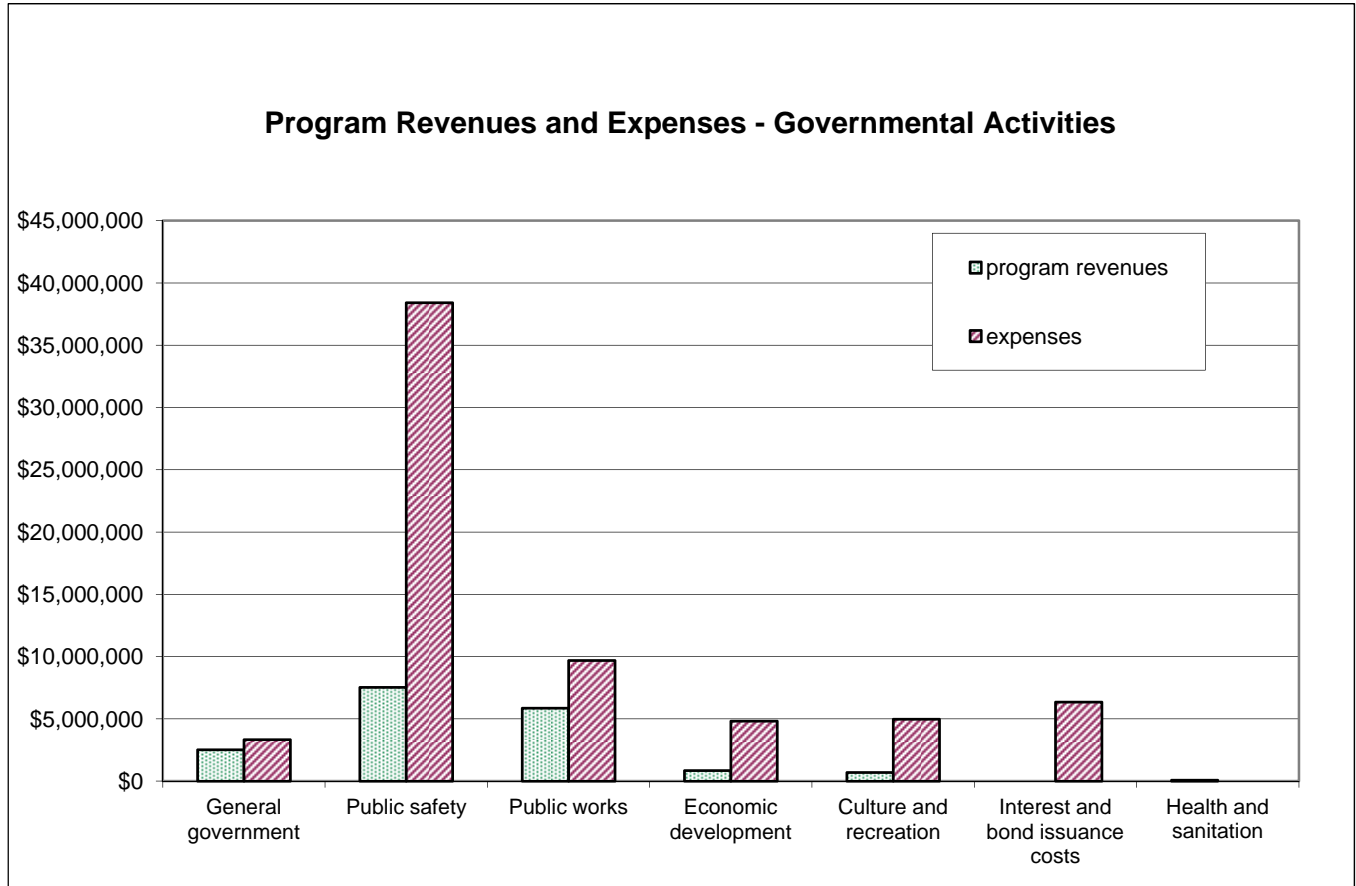
	Governmental activities		Business-Type activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues:						
Program revenues:						
Charges for services	\$ 11,656,156	\$ 11,009,769	\$ 14,070,433	\$ 14,657,946	\$ 25,726,589	\$ 25,667,715
Operating grants & contributions	3,808,251	3,035,643	-	-	3,808,251	3,035,643
Capital grants & contributions	2,104,052	1,746,077	1,100,000	-	3,204,052	1,746,077
General revenues						
Property taxes	30,596,416	28,158,955	-	-	30,596,416	28,158,955
Other taxes	18,464,189	17,804,909	-	-	18,464,189	17,804,909
Other revenues	<u>747,317</u>	<u>645,950</u>	<u>6,707</u>	<u>7,257</u>	<u>754,024</u>	<u>653,207</u>
Total revenues	<u>67,376,381</u>	<u>62,401,303</u>	<u>15,177,140</u>	<u>14,665,203</u>	<u>82,553,521</u>	<u>77,066,506</u>
Expenses:						
General government	3,330,828	3,636,642	-	-	3,330,828	3,636,642
Public safety	38,409,364	40,266,230	-	-	38,409,364	40,266,230
Public works	9,692,933	9,503,285	-	-	9,692,933	9,503,285
Culture and recreation	4,979,472	4,853,831	-	-	4,979,472	4,853,831
Economic development	4,826,143	8,341,981	-	-	4,826,143	8,341,981
Interest on long-term debt	6,347,001	5,555,103	-	-	6,347,001	5,555,103
Utilities	-	-	18,895,002	16,767,182	18,895,002	16,767,182
Parking garage	-	-	<u>264,787</u>	<u>260,988</u>	<u>264,787</u>	<u>260,988</u>
Total expenses	<u>67,585,741</u>	<u>72,157,072</u>	<u>19,159,789</u>	<u>17,028,170</u>	<u>86,745,530</u>	<u>89,185,242</u>
Change in Net Position Before Transfers	<u>(209,360)</u>	<u>(9,755,769)</u>	<u>(3,982,649)</u>	<u>(2,362,967)</u>	<u>(4,192,009)</u>	<u>(12,118,736)</u>
Transfers	<u>-</u>	<u>(97,572)</u>	<u>-</u>	<u>97,572</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>(209,360)</u>	<u>(9,853,341)</u>	<u>(3,982,649)</u>	<u>(2,265,395)</u>	<u>(4,192,009)</u>	<u>(12,118,736)</u>
Net position Jan 1	<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>
Net position Dec 31	<u>\$ (45,749,367)</u>	<u>\$ (45,540,007)</u>	<u>\$ 32,818,794</u>	<u>\$ 36,801,443</u>	<u>\$ (12,930,573)</u>	<u>\$ (8,738,564)</u>

### Significant Changes in the Statement of Activities

#### Government activities

The City's governmental activities net position decreased approximately \$200,000 compared to a \$9.9 million 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 2014 to 2013:

	Governmental activities			
	<u>2014</u>	<u>2013</u>	<u>Change</u>	<u>% Chg</u>
Revenues:				
Program revenues:				
Charges for services	\$ 11,656,156	\$ 11,009,769	\$ 646,387	6%
Operating grants & contributions	3,808,251	3,035,643	772,608	25%
Capital grants & contributions	2,104,052	1,746,077	357,975	21%
General revenues				
Property taxes	30,596,416	28,158,955	2,437,461	9%
Other taxes	18,464,189	17,804,909	659,280	4%
Other revenues	<u>747,317</u>	<u>645,950</u>	<u>101,367</u>	<u>16%</u>
Total revenues	<u>\$ 67,376,381</u>	<u>\$ 62,401,303</u>	<u>\$ 4,975,078</u>	<u>8%</u>

### Significant changes:

The City's charges for services increased from \$11 million to \$11.7 million in 2014. Charges for services are primarily made up of vehicle stickers, building and compliance permits, interdepartmental charges, court and violation fines, as well as ambulance fees. The increase in the City's charges for services resulted mainly from increases in vehicle stickers \$200,000, ambulance fees of \$400,000, and building permits of \$100,000.

In 2014, operating grants and contributions increased by approximately \$773,000. Operating grants and contributions are primarily made up of a variety of grants received by the City to help fund operations. The increase in the City's operating grants resulted mainly from increases in CDBG grant revenue \$186,000, state asset forfeiture of \$105,000, recreation grant of \$166,000, building grant of \$118,000, and public works grant of \$76,000.

Capital grants and contributions increased about \$360,000 in 2014. The main cause of this increase was due to the City receiving grant funds of \$392,000 to fund Metra station improvements.

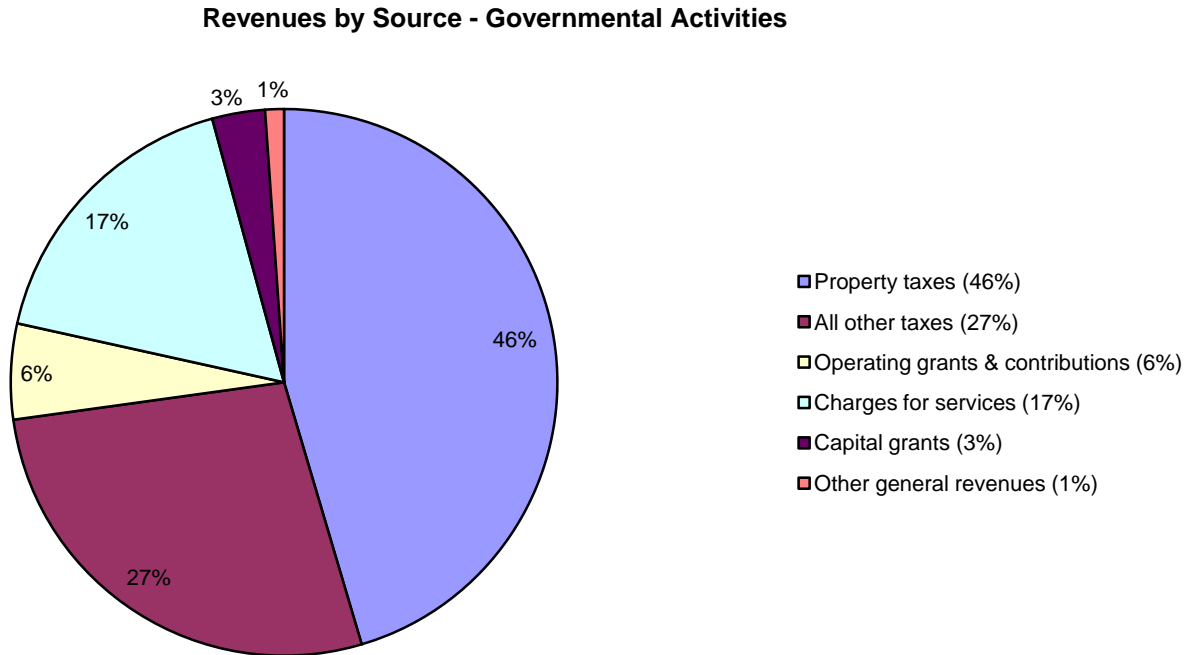
The City's property tax revenues increased in 2014 by just over \$2.4 million.

After an increase of \$1.4 million in other taxes in 2013, other taxes have increased again in 2014 by \$660,000. A large portion of this increase was due to an increase in real estate transfer taxes of \$409,000 as a result of improving economic conditions. Video gaming taxes also contributed to the increase, as they were almost \$117,000 higher than the prior year's amount.

Other revenues increased by \$101,000 in 2014. The increase was due in part to a \$15,000 increase in credit card rebate revenue, a \$10,000 increase in cell tower rental fees, and a \$10,000 increase in interest income.

**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 2013 when property taxes accounted for 45%, all other taxes were 28%, charges for services were 18%, and operating grants were 5%.

**Governmental activities - Expenses**

The table below shows the change in expenses from 2013 to 2014:

**Changes in Governmental Activities Expenses**

	Governmental activities		Change	% Chg
	2014	2013		
Expenses:				
General government	\$ 3,330,828	\$ 3,636,642	\$ (305,814)	-8%
Public safety	38,409,364	40,266,230	(1,856,866)	-5%
Public works	9,692,933	9,503,285	189,648	2%
Economic development	4,826,143	8,341,981	(3,515,838)	-42%
Culture and recreation	4,979,472	4,853,831	125,641	3%
Interest on long-term debt	6,347,001	5,555,103	791,898	14%
Total expenses	<u>\$ 67,585,741</u>	<u>\$ 72,157,072</u>	<u>\$ (4,571,331)</u>	<u>-6%</u>

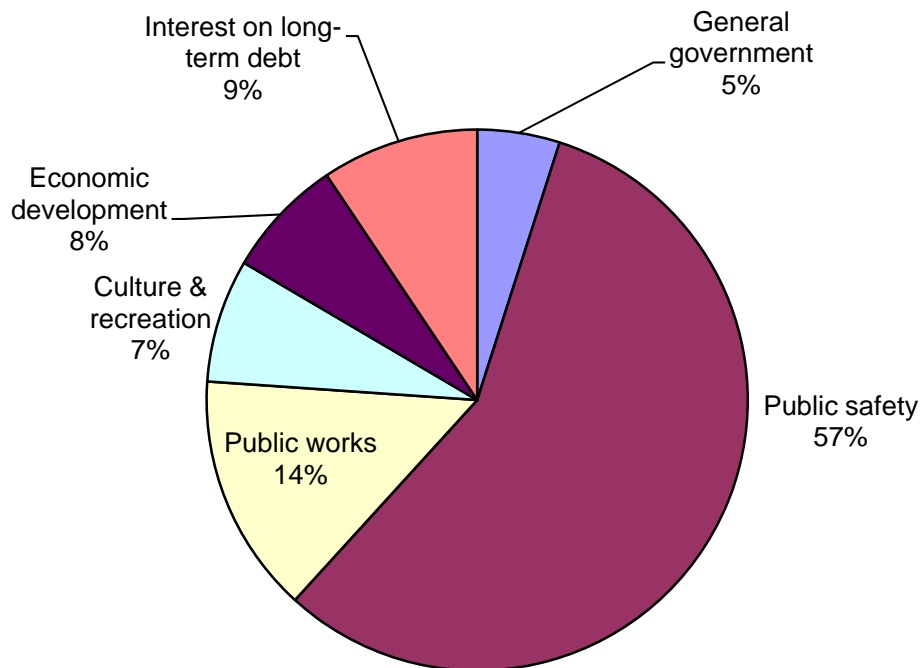
**Significant changes:**

Overall, expenses decreased by 6% or \$4.6 million with much of the decrease related to economic development and public safety. Economic development expenses decreased from 2013 by 42% as a result of the change in activity taking place in the TIF districts. Expenses in the Cermak TIF were down \$3.2 million from last year. In 2013, the sale of the property located at 6801 west Cermak was the most significant expense. There were no such expenses incurred during 2014. The Cermak TIF expired in 2012 and as a result, expenses in this TIF should continue to decrease.

**Composition of expenses:**

As in the prior year, the City's largest area of expense continues to be public safety, accounting for 57% of governmental expenses. The expense composition did change from 2013 when public works accounted for 13%, interest on long-term debt for 8%, and economic development accounted for 11% of total City expenses. Again the change in percentages was primarily due to a large decrease in expenses in the Cermak TIF as result of a large development project being completed in the prior year.

**Governmental Activities - Expense Composition**



## Business-Type activities

	Business-Type activities		Change	% Chg
	2014	2013		
Revenues:				
Charges for services	\$ 14,070,433	\$ 14,657,946	\$ (587,513)	-4%
Capital grants	1,100,000	-	1,100,000	-
Total Revenues	<u>\$ 15,170,433</u>	<u>\$ 14,657,946</u>	<u>\$ 512,487</u>	<u>3%</u>
Expenses:				
Utilities	\$ 18,895,002	\$ 16,767,182	\$ 2,127,820	13%
Parking garage	264,787	260,988	3,799	1%
Total Expenses	<u>\$ 19,159,789</u>	<u>\$ 17,028,170</u>	<u>\$ 2,131,619</u>	<u>13%</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 \$3.7 million, business-type activities decreased the City's net position by \$4.0 million before transfers.

Utility usage charges decreased by \$588,000 primarily due to a large write off of delinquent accounts. Capital grant revenue increased by \$1.1 million in 2014 as the City received a new grant to improve infrastructure within the utility fund.

Expenses within the water utility increased in 2014 by \$2.1 million due to higher capital expenditures directed toward the city's infrastructure as well as an increase in 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 2014, 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	\$ 51,546,516	\$ 4,388,560	\$ 10,290,285
Expenditures	47,439,587	10,124,830	11,632,765
Other Financing Sources (Uses) net	<u>148,254</u>	<u>5,764,301</u>	<u>(1,172,221)</u>
Net change in fund balance	4,255,183	28,031	(2,514,701)
Fund balance, beginning (as restated)	<u>10,061,244</u>	<u>641,874</u>	<u>11,080,993</u>
Fund balance, ending	<u>\$ 14,316,427</u>	<u>\$ 669,905</u>	<u>\$ 8,566,292</u>

General Fund revenues increased about 4% or \$1.8 million from 2013 to 2014. The largest increases compared to 2013 came from real estate transfer taxes, licenses and permits, and paramedic service. Real estate transfer taxes were \$400,000 compared to 2013 while licenses and permits were \$600,000 higher. Additionally, paramedic service revenues were \$400,000 higher than 2013.

General Fund expenditures decreased almost \$30 million or 38% from the prior year. The main reason for the decrease involved the 2013 issuance of public safety pension bonds in the amount \$30.3 million that are recorded as expenditure at the fund level. A corresponding decrease is noted in the other financing sources (uses) total as a result of the 2013 issuance of public safety pension bonds.

After an increase of \$3.3 million in 2013, General Fund ending fund balance increased by \$4.3 million in 2014. The City has continued its refunding plan by refunding a number of debt service fund debt payments due in 2014. 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 and expense reduction resulted in a surplus in the fund of \$4.3 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 2013 by \$2.3 million as the City dedicated more tax revenue toward the repayment of debt in 2014. Principal expenditures decreased by \$340,000 compared to 2013 while interest expenditures increased by \$1.6 million based on the required debt service payments. In 2014, the City continued its refunding plan by refunding a number of debt payments due in 2014. The city reduced the amount of bonds to be refunded by allocating more tax revenue to fund the debt repayments, which resulted in a reduction of other financing sources. Fund balance in the Debt Service Fund increased \$28,000 to \$669,905.

With the classifications of major and nonmajor funds not changing from 2013, the comparison between years features like funds. Expenditures decreased by about \$2.7 million and revenues decreased by \$200,000. Fund balance in the nonmajor funds decreased by approximately \$2.5 million, primarily due to activity within the NSP fund. As discussed earlier, the City is in the process of selling land previously acquired through the NSP grant program at less than market value resulting in a reduction of total assets (\$1.5 million) within that fund. Economic development and capital projects caused the following additional decreases in fund balance: Capital Bond Fund of \$582,000, Roosevelt Road TIF of \$294,000, Ogden Avenue TIF of \$226,000, Cermak Road TIF of \$152,000, and South Berwyn Corridor TIF of \$117,000.

## **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 \$5,153,287. The decrease in total net position of \$4.0 million was a result of operating activities which generated a loss of \$3.8 million and interest expense of approximately \$126,000. 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 \$284,000. Expenses excluding depreciation amounted to about \$32,000. After depreciation of about \$233,000, the fund posted an operating income of \$19,000. Net position at year end was \$10.2 million.

The City's Internal Service Fund mainly represents costs for the City's worker's 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 2014, the fund's expenses decreased from \$2.0 million to \$1.0 million, or 50%. The decrease during the year was a result of a reduction of the number of claims and the claims that were paid were less 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 increase in 2014 revenues can be attributed to the increase in claims expenses in 2013 that needed to be funded. Net position increased during 2014 resulting in a balance on December 31, 2014 of \$2.4 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 2014. 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 no net increase in the general fund budgeted excess of revenues over expenditures resulted from the amendment.

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	\$ 20,624,857	\$ 20,719,636	\$ 94,779	0%
Other taxes	17,478,750	18,079,118	600,368	3%
Licenses and permits	3,079,500	3,755,478	675,978	22%
Charges for services	1,547,050	2,077,548	530,498	34%
Fines and forfeitures	4,942,000	5,191,590	249,590	5%
Intergovernmental	102,000	109,406	7,406	7%
Investment income	35,000	56,118	21,118	60%
Miscellaneous	1,149,393	1,557,622	408,229	36%
<b>Total Revenues</b>	<b>\$ 48,958,550</b>	<b>\$ 51,546,516</b>	<b>\$ 2,587,966</b>	<b>5%</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	\$ 3,755,381	\$ 3,581,579	\$ 173,802	5%
Public safety	36,633,635	35,528,885	1,104,750	3%
Public works	6,742,533	6,339,376	403,157	6%
Economic development	243,347	237,034	6,313	3%
Culture and recreation	1,978,979	1,752,713	226,266	11%
<b>Total expenditures</b>	<b>\$ 49,353,875</b>	<b>\$ 47,439,587</b>	<b>\$ 1,914,288</b>	<b>4%</b>

### Significant changes from budget

#### Revenues

Total revenues exceeded budget during the 2014 fiscal year. Other taxes were 3% more than budgeted. The largest positive variances were in real estate transfer taxes in the amount of \$538,000 over budget and municipal utilities taxes in the amount of \$201,000 over budget. In terms of negative variances, the home rule sales tax was \$119,000 less than budgeted and state sales tax was 123,000 less than budgeted.

Licenses and permits were over budget mainly due to local improvement permits being almost \$234,000 over budget, building permits being \$108,000 over budget, vehicle stickers being \$200,000 over budget, and business licenses being \$100,000 over budget.

Charges for services were more than budget primarily due to paramedic service collections being \$550,000 higher than expected.

Fines and forfeitures were over budget primarily due to revenues from red light photo enforcement of \$240,000 more than budgeted due to unexpected revenue growth.

Finally, miscellaneous revenues were over budget due, in part, to grant revenues that exceeded budget by \$376,000.

## Expenditures

Overall, General Fund expenditures in 2014 were 4% or \$1.9 million under budget. The public safety, public works, and culture and recreation functions were the primary contributors to overall expenditures being under budget. Fire and Police department salaries/benefits and internal service fund charges were a combined \$695,000 under budget. The public works department salaries/benefits and internal service fund charges were close to \$400,000 under budget. The recreation department supplies expense and internal service fund charges were approximately \$151,000 under budget.

## Capital Asset and Debt Administration

### Significant change - Capital assets

The table below summarizes the City's capital asset balances at year end for 2014 with comparative figures for 2013.

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

	Governmental activities		Business-Type activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 10,002,147	\$ 10,002,147	\$ 24,600	\$ 24,600	\$ 10,026,747	\$ 10,026,747
CIP	2,023,773	87,683	13,368	124,205	2,037,141	211,888
Buildings	10,914,301	11,159,507	9,641,438	9,874,706	20,555,739	21,034,213
Equipment	1,286,476	1,243,840	75,540	89,274	1,362,016	1,333,114
Land improvements	7,715,628	7,514,389	-	-	7,715,628	7,514,389
Vehicles	3,542,833	3,313,410	138,750	165,108	3,681,583	3,478,518
Infrastructure	18,012,016	20,188,787	22,299,975	24,119,093	40,311,991	44,307,880
<b>Total</b>	<b>\$ 53,497,174</b>	<b>\$ 53,509,763</b>	<b>\$ 32,193,671</b>	<b>\$ 34,396,986</b>	<b>\$ 85,690,845</b>	<b>\$ 87,906,749</b>

A number of governmental activities capital projects were completed in 2014. Accumulated costs of \$88,000 were transferred from CIP to Equipment the City's phone system upgrade.

At the end of 2014, construction in progress for government activities included the East Avenue road construction and Depot District streetscape projects which totaled \$2 million.

For business activities, accumulated costs of \$124,205 for sewer replacements were transferred from CIP to Infrastructure in the Utility Fund. Engineering services for the 19<sup>th</sup> street generator in the amount of \$13,000 was added to construction in progress in 2014.

Some of the other larger governmental activities additions included the purchase of 21 police vehicles (\$581,000), two public works dump trucks (\$155,000), and roofing/masonry upgrades for the Harlem Avenue and Oak Park Avenue Metra Stations (\$570,000). The larger purchases in the business-type activities were improvements related to sanitary and storm sewers (\$1.8 million).

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 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	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 132,148,859	\$ 131,540,282	\$ 4,960,000	\$ 2,945,000	\$ 137,108,859	\$ 134,485,282
Installment notes payable	620,642	737,012	-	-	620,642	737,012
Mortgage notes payable	2,077,979	2,359,842	-	-	2,077,979	2,359,842
Unamortized premiums	1,491,268	1,442,877	70,406	19,796	1,561,674	1,462,673
Unamortized Discounts	(477,238)	(506,203)	(39,304)	(18,642)	(516,542)	(524,845)
Capital Leases	355,082	439,123	-	-	355,082	439,123
Claims Payable	2,670,585	3,531,548	-	-	2,670,585	3,531,548
Net pension obligation	229,119	224,356	24,349	23,804	253,468	248,160
Net OPEB Obligation	792,807	921,506	-	-	792,807	921,506
IMRF early retirement liability	339,246	473,010	-	-	339,246	473,010
Compensated absences	4,313,422	4,168,905	101,754	79,515	4,415,176	4,248,420
Total	<u>\$ 144,561,771</u>	<u>\$ 145,332,258</u>	<u>\$ 5,117,205</u>	<u>\$ 3,049,473</u>	<u>\$ 149,678,976</u>	<u>\$ 148,381,731</u>

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.

In 2014, the City continued the restructuring of its outstanding general obligation debt which began in prior years. The City issued \$6,285,000 of General Obligation Bonds, Series 2014A. Of the total 2014A issuance, \$4,270,000 (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. Also, \$2,015,000 was used for the City's utility fund for infrastructure improvements as well as a residential flood mitigation program.

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

Other significant changes in total long term debt during 2014 include: 1. a decrease in installment notes payable of \$116,000; 2. a decrease in mortgage notes payable of almost \$282,000; 3. a decrease in claims payable of almost \$900,000; 4. a decrease of \$129,000 in the actuarially determined net other post employment benefit (OPEB) obligation; 5. a decrease in IMRF early retirement liability of \$134,000 and 6. a net increase of about \$145,000 in compensated absences.

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

Further economic development within the City's TIF districts will continue to be a primary focus for the City in 2015. Phase 2 of the Berwyn Gateway Plaza project includes the acquisition and redevelopment of the full commercial block on the north side of Cermak Road between Wisconsin and Maple Avenues. The development will create over 15,000 square feet of new retail space for several promising businesses.

Berwyn Kia is expanding their operations by purchasing the site at Ogden and Harlem which should result in a healthy increase in their sales volume. Torres Fresh Market located on 26<sup>th</sup> street is expected to open in 2015. This grocery store should be yet another convenient place to shop.

These significant developments should make strong contributions to Berwyn's local economy along with adding to the City's tax base in future years.

Additionally, approximately \$4.6 million of property taxes related to principal and interest payments due on the City's general obligation bonds during 2015 have been abated in anticipation of a current bond refunding which is to take place in the fall of 2015. This expected bond issue has been budgeted for in the Debt Service Fund for 2015.

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, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Berwyn Development Corporation
<b>ASSETS</b>				
Cash and investments	\$ 18,616,700	\$ 4,266,544	\$ 22,883,244	\$ 1,084,955
Restricted cash	470,264	462,938	933,202	215,432
Receivables, net of allowance where applicable				
Property tax	29,616,402	-	29,616,402	-
Sales tax	800,411	-	800,411	-
Home rule sales tax	586,422	-	586,422	-
Income tax	1,440,949	-	1,440,949	-
Personal property replacement tax	34,022	-	34,022	-
Utility tax	535,204	-	535,204	-
Accounts	2,632,136	6,803,568	9,435,704	31,437
Interest	2,366	467	2,833	-
Prepaid expenses	379,591	-	379,591	14,915
Internal balances	2,169,782	(2,169,782)	-	-
Due from other governments	365,053	-	365,053	-
Notes receivable	3,213,773	-	3,213,773	2,016,574
Land held for resale	4,352,192	-	4,352,192	-
Net pension asset	16,289,071	-	16,289,071	-
Capital assets, not being depreciated	12,025,920	37,968	12,063,888	-
Capital assets, being depreciated (net of accumulated depreciation)	<u>41,471,254</u>	<u>32,155,703</u>	<u>73,626,957</u>	<u>21,736</u>
Total Assets	<u>135,001,512</u>	<u>41,557,406</u>	<u>176,558,918</u>	<u>3,385,049</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred loss on refunding	<u>2,173</u>	<u>-</u>	<u>2,173</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>2,173</u>	<u>-</u>	<u>2,173</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts payable	2,033,473	3,167,713	5,201,186	52,055
Accrued payroll	680,664	21,666	702,330	-
Accrued interest payable	532,684	17,102	549,786	-
Due to fiduciary funds	32,589	-	32,589	-
Unearned revenues	2,916,092	405,724	3,321,816	-
Security deposits	-	9,202	9,202	-
Other liabilities	642,178	-	642,178	215,432
Noncurrent liabilities				
Due within one year	6,045,935	29,198	6,075,133	-
Due in more than one year	<u>138,515,836</u>	<u>5,088,007</u>	<u>143,603,843</u>	<u>1,744,785</u>
Total Liabilities	<u>151,399,451</u>	<u>8,738,612</u>	<u>160,138,063</u>	<u>2,012,272</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenue - property taxes	<u>29,353,601</u>	<u>-</u>	<u>29,353,601</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>29,353,601</u>	<u>-</u>	<u>29,353,601</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	(35,980,196)	27,665,507	(8,314,689)	21,736
Restricted for				
Public safety	1,686,081	-	1,686,081	-
Public works	690,491	-	690,491	-
Economic development	4,805,629	-	4,805,629	-
Debt service	669,905	-	669,905	-
Unrestricted (deficit)	<u>(17,621,277)</u>	<u>5,153,287</u>	<u>(12,467,990)</u>	<u>1,351,041</u>
<b>TOTAL NET POSITION (DEFICIT)</b>	<u>\$ (45,749,367)</u>	<u>\$ 32,818,794</u>	<u>\$ (12,930,573)</u>	<u>\$ 1,372,777</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS  
STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2014

FUNCTIONS/PROGRAMS	Net (Expense) Revenue and Change in Net Position							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	\$ 3,330,828	\$ 2,526,944	\$ -	\$ -	\$ (803,884)	\$ -	\$ (803,884)	\$ -
Public safety	38,409,364	6,142,547	1,195,361	198,828	(30,872,628)	-	(30,872,628)	-
Public works	9,692,933	2,358,620	1,751,342	1,759,252	(3,823,719)	-	(3,823,719)	-
Economic development	4,826,143	44,000	665,374	145,972	(3,970,797)	-	(3,970,797)	-
Culture and recreation	4,979,472	498,633	196,174	-	(4,284,665)	-	(4,284,665)	-
Health and sanitation	-	85,412	-	-	85,412	-	85,412	-
Interest & debt issuance costs	6,347,001	-	-	-	(6,347,001)	-	(6,347,001)	-
Total Governmental Activities	<u>67,585,741</u>	<u>11,656,156</u>	<u>3,808,251</u>	<u>2,104,052</u>	<u>(50,017,282)</u>	<u>-</u>	<u>(50,017,282)</u>	<u>-</u>
Business-Type Activities								
Water and sewer	18,895,002	13,786,437	-	1,100,000	-	(4,008,565)	(4,008,565)	-
Parking Garage	264,787	283,996	-	-	-	19,209	19,209	-
Total Business-Type Activities	<u>19,159,789</u>	<u>14,070,433</u>	<u>-</u>	<u>1,100,000</u>	<u>-</u>	<u>(3,989,356)</u>	<u>(3,989,356)</u>	<u>-</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 86,745,530</u>	<u>\$ 25,726,589</u>	<u>\$ 3,808,251</u>	<u>\$ 3,204,052</u>	<u>(50,017,282)</u>	<u>(3,989,356)</u>	<u>(54,006,638)</u>	<u>-</u>
<b>COMPONENT UNIT</b>								
Berwyn Development Corporation	<u>\$ 1,385,690</u>	<u>\$ 1,394,577</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,887</u>
General Revenues								
Taxes								
Property					30,596,416	-	30,596,416	-
Sales					2,976,666	-	2,976,666	-
Home rule sales					2,180,628	-	2,180,628	-
Replacement					227,550	-	227,550	-
Municipal utility					3,700,906	-	3,700,906	-
Real estate transfer					1,788,150	-	1,788,150	-
Other					1,117,873	-	1,117,873	-
Income					6,472,416	-	6,472,416	-
Investment income					70,120	6,707	76,827	-
Gain on sale of capital assets					1,261	-	1,261	-
Miscellaneous					675,936	-	675,936	-
Total General Revenues and Transfers					<u>49,807,922</u>	<u>6,707</u>	<u>49,814,629</u>	<u>-</u>
CHANGE IN NET POSITION					(209,360)	(3,982,649)	(4,192,009)	8,887
NET POSITION (DEFICIT), JANUARY 1					<u>(45,540,007)</u>	<u>36,801,443</u>	<u>(8,738,564)</u>	<u>1,363,890</u>
<b>NET POSITION (DEFICIT), DECEMBER 31</b>					<u>\$ (45,749,367)</u>	<u>\$ 32,818,794</u>	<u>\$ (12,930,573)</u>	<u>\$ 1,372,777</u>

## CITY OF BERWYN, ILLINOIS

BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2014

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 10,677,403	\$ 85,000	\$ 7,754,297	\$ 18,516,700
Restricted cash	-	96,513	373,751	470,264
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	20,742,927	5,614,878	3,258,597	29,616,402
Sales taxes	800,411	-	-	800,411
Home rule sales tax	586,422	-	-	586,422
Income taxes	1,440,949	-	-	1,440,949
Personal property replacement tax	34,022	-	-	34,022
Utility tax	535,204	-	-	535,204
Accounts	1,990,594	-	641,492	2,632,086
Interest	862	755	749	2,366
Prepaid items	118,338	-	-	118,338
Due from other funds	6,040,435	450,860	18,923	6,510,218
Due from other governments	-	-	365,053	365,053
Notes receivable	694,815	-	2,518,958	3,213,773
Land held for resale	107,710	-	4,244,482	4,352,192
<b>TOTAL ASSETS</b>	<b>\$ 43,770,092</b>	<b>\$ 6,248,006</b>	<b>\$ 19,176,302</b>	<b>\$ 69,194,400</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 890,822	\$ 200	\$ 1,142,451	\$ 2,033,473
Accrued payroll	1,551,569	-	56,502	1,608,071
Unearned revenues	29,221	-	2,886,871	2,916,092
Due to other funds	5,867,709	-	3,188,060	9,055,769
Due to fiduciary funds	32,589	-	-	32,589
Other liabilities	512,582	-	129,596	642,178
<b>TOTAL LIABILITIES</b>	<b>8,884,492</b>	<b>200</b>	<b>7,403,480</b>	<b>16,288,172</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	20,569,170	5,577,901	3,206,530	29,353,601
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>20,569,170</b>	<b>5,577,901</b>	<b>3,206,530</b>	<b>29,353,601</b>
<b>FUND BALANCE</b>				
Nonspendable				
Notes receivable	694,815	-	-	694,815
Land held for resale	107,710	-	-	107,710
Prepaid items	118,338	-	-	118,338
Restricted				
Public safety	-	-	1,686,081	1,686,081
Public works	-	-	690,491	690,491
Culture and recreation	-	-	114,478	114,478
Economic development	-	-	4,805,629	4,805,629
Debt service	-	669,905	-	669,905
Committed				
Capital projects funded by bonds	-	-	1,557,221	1,557,221
Assigned				
Fuel surcharge for gas pump repairs	10,686	-	-	10,686
Future community events	17,946	-	-	17,946
Unassigned (deficit)	13,366,935	-	(287,608)	13,079,327
<b>TOTAL FUND BALANCE</b>	<b>14,316,430</b>	<b>669,905</b>	<b>8,566,292</b>	<b>23,552,627</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 43,770,092</b>	<b>\$ 6,248,006</b>	<b>\$ 19,176,302</b>	<b>\$ 69,194,400</b>

CITY OF BERWYN, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION  
December 31, 2014

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FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 23,552,627
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	53,497,174
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	7,596,059
Fire pension	8,693,012
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	(1,491,268)
Discount on bonds	477,238
Loss on refunding	2,173
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	(132,148,859)
Installment notes payable	(620,642)
Mortgage notes payable	(2,077,979)
Capital leases	(355,082)
IMRF early retirement liability	(339,246)
Long-term compensated absences	(3,386,015)
Net pension obligation	
IMRF	(225,042)
IMRF SLEP	(4,077)
Net other postemployment benefits obligation	(792,807)
Accrued interest on bonds	(532,684)
The unrestricted net position of the internal service funds are included in the governmental activities in the statement of net position	<u>2,406,051</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (45,749,367)</u>



CITY OF BERWYN, ILLINOIS

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

For the Year Ended December 31, 2014

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Property taxes	\$ 20,719,636	\$ 4,387,086	\$ 5,489,694	\$ 30,596,416
Other taxes	18,079,118	-	469,633	18,548,751
Licenses and permits	3,755,478	-	-	3,755,478
Charges for services	2,077,548	-	-	2,077,548
Fines and forfeitures	5,191,590	-	46,590	5,238,180
Intergovernmental	109,406	-	3,783,682	3,893,088
Investment income	56,118	1,474	12,530	70,122
Miscellaneous	1,557,622	-	488,156	2,045,778
Total Revenues	<u>51,546,516</u>	<u>4,388,560</u>	<u>10,290,285</u>	<u>66,225,361</u>
<b>EXPENDITURES</b>				
Current				
General government	3,581,579	-	-	3,581,579
Public safety	35,528,885	-	860,126	36,389,011
Public works	6,339,376	-	1,950,997	8,290,373
Economic development	237,034	-	2,680,274	2,917,308
Culture and recreation	1,752,713	-	3,169,341	4,922,054
Capital outlay	-	-	2,497,137	2,497,137
Debt service				
Principal	-	3,720,000	398,231	4,118,231
Interest and fiscal charges	-	6,313,620	76,659	6,390,279
Bond issuance costs	-	91,210	-	91,210
Total Expenditures	<u>47,439,587</u>	<u>10,124,830</u>	<u>11,632,765</u>	<u>69,197,182</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,106,929</u>	<u>(5,736,270)</u>	<u>(1,342,480)</u>	<u>(2,971,821)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds of debt issuance	-	4,270,000	-	4,270,000
Premium on issuance of long-term debt	-	349,073	-	349,073
Proceeds from sale of capital assets	1,261	-	-	1,261
Proceeds from capital leases	120,000	-	-	120,000
Transfers in	580,000	1,145,228	553,007	2,278,235
Transfers (out)	(553,007)	-	(1,725,228)	(2,278,235)
Total Other Financing Sources (Uses)	<u>148,254</u>	<u>5,764,301</u>	<u>(1,172,221)</u>	<u>4,740,334</u>
NET CHANGE IN FUND BALANCES	4,255,183	28,031	(2,514,701)	1,768,513
FUND BALANCES, JANUARY 1	<u>10,061,247</u>	<u>641,874</u>	<u>11,080,993</u>	<u>21,784,114</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u>\$ 14,316,430</u>	<u>\$ 669,905</u>	<u>\$ 8,566,292</u>	<u>\$ 23,552,627</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, 2014

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,768,513
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	2,473,368
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	(4,390,000)
The accretion on capital appreciation bonds does not require the use of current financial resources and, therefore, is not reported in the governmental funds	(58,577)
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	3,720,000
Installment notes	116,370
Mortgage notes	281,861
Capital leases	204,041
Changes in net pension assets/obligations are reported only in the statement of activities	
Police pension	(1,745,739)
Firefighters' pension	(1,299,257)
IMRF	(4,678)
IMRF SLEP	(85)
Other postemployment benefits are recognized when paid within the governmental funds; however, they are recognized as earned in the government-wide financial statements	128,699
Changes in long-term accrued compensated absences are reported only in the statement of activities	(207,353)
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	(3,635,715)
Contributed capital	1,149,759
Change in accrued interest payable	143,646
Deferral of bond discount/premium	(349,073)
Amortization of accounting loss on refunding	(222,298)
Amortization of bond premium and discount	271,717
Change in IMRF liability	133,764
The change in net position of certain activities of internal service funds is reported with governmental activities	<u>1,311,677</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (209,360)</u>

CITY OF BERWYN, ILLINOIS

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 December 31, 2014

	Business-Type			Governmental Activities Internal Service
	Utilities	Parking Garage	Total	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and investments	\$ 4,266,544	\$ -	\$ 4,266,544	\$ 100,000
Restricted cash	462,938	-	462,938	-
Receivables				
Accounts (net of allowance)	6,801,568	2,000	6,803,568	50
Interest	467	-	467	-
Prepaid expenses	-	-	-	261,255
Due from other funds	-	682,594	682,594	4,715,331
<b>Total Current Assets</b>	<b>11,531,517</b>	<b>684,594</b>	<b>12,216,111</b>	<b>5,076,636</b>
<b>NONCURRENT ASSETS</b>				
Capital assets				
Capital assets, not being depreciated	37,968	-	37,968	-
Capital assets, net of accumulated depreciation	22,668,074	9,487,629	32,155,703	-
Net Capital Assets	22,706,042	9,487,629	32,193,671	-
<b>Total Noncurrent Assets</b>	<b>22,706,042</b>	<b>9,487,629</b>	<b>32,193,671</b>	<b>-</b>
<b>Total Assets</b>	<b>34,237,559</b>	<b>10,172,223</b>	<b>44,409,782</b>	<b>5,076,636</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	3,167,286	427	3,167,713	-
Claims payable	-	-	-	557,585
Accrued payroll	21,666	-	21,666	-
Security deposits	-	9,202	9,202	-
Unearned revenue	405,724	-	405,724	-
Accrued interest payable	17,102	-	17,102	-
Compensated absences	29,198	-	29,198	-
Due to other funds	2,852,376	-	2,852,376	-
<b>Total Current Liabilities</b>	<b>6,493,352</b>	<b>9,629</b>	<b>6,502,981</b>	<b>557,585</b>
<b>LONG-TERM LIABILITIES</b>				
Claims payable	-	-	-	2,113,000
Bonds payable	4,991,102	-	4,991,102	-
Net pension obligation	24,349	-	24,349	-
Compensated absences payable	72,556	-	72,556	-
<b>Total Long-Term Liabilities</b>	<b>5,088,007</b>	<b>-</b>	<b>5,088,007</b>	<b>2,113,000</b>
<b>Total Liabilities</b>	<b>11,581,359</b>	<b>9,629</b>	<b>11,590,988</b>	<b>2,670,585</b>
<b>NET POSITION</b>				
Net investment in capital assets	18,177,878	9,487,629	27,665,507	-
Unrestricted	4,478,322	674,965	5,153,287	2,406,051
<b>Total Net Position</b>	<b>\$ 22,656,200</b>	<b>\$ 10,162,594</b>	<b>\$ 32,818,794</b>	<b>\$ 2,406,051</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, 2014

	Business-Type			Governmental
	Utilities	Parking Garage	Total	Internal Service
<b>OPERATING REVENUES</b>				
Charges for services				
Billings	\$ 12,763,402	\$ -	\$ 12,763,402	\$ -
Penalties	945,076	-	945,076	-
Meter sales	73,000	-	73,000	-
Internal service charges	-	-	-	2,299,291
Other revenue	4,959	283,996	288,955	23,120
	<u>13,786,437</u>	<u>283,996</u>	<u>14,070,433</u>	<u>2,322,411</u>
Total Operating Revenues				
<b>OPERATING EXPENSES</b>				
Salaries and benefits	1,625,894	-	1,625,894	-
Internal service fund charge	362,328	4,546	366,874	-
Cost of water	6,301,283	-	6,301,283	-
Contractual services	4,676,618	1,190	4,677,808	-
Utilities and cost of fuel	154,854	17,563	172,417	-
Repairs and maintenance	211,660	8,257	219,917	-
Postage, printing and publications	70,824	-	70,824	-
Commodities and supplies	688,096	-	688,096	-
Interdepartmental charges	945,584	-	945,584	-
Other general	499	-	499	-
Equipment lease	6,911	-	6,911	-
Claims expense	-	-	-	1,010,734
Depreciation	3,678,777	233,231	3,912,008	-
	<u>18,723,328</u>	<u>264,787</u>	<u>18,988,115</u>	<u>1,010,734</u>
Total Operating Expenses				
Operating Income (Loss)	<u>(4,936,891)</u>	<u>19,209</u>	<u>(4,917,682)</u>	<u>1,311,677</u>
<b>NON-OPERATING INCOME (EXPENSE)</b>				
Investment income	6,707	-	6,707	-
Bond issuance costs	(45,855)	-	(45,855)	-
Interest expense	(125,819)	-	(125,819)	-
Intergovernmental grant	1,100,000	-	1,100,000	-
Total Non-operating Income (Expense)	<u>935,033</u>	<u>-</u>	<u>935,033</u>	<u>-</u>
CHANGE IN NET POSITION	(4,001,858)	19,209	(3,982,649)	1,311,677
NET POSITION, JANUARY 1	<u>26,658,058</u>	<u>10,143,385</u>	<u>36,801,443</u>	<u>1,094,374</u>
<b>NET POSITION, DECEMBER 31</b>	<u>\$ 22,656,200</u>	<u>\$ 10,162,594</u>	<u>\$ 32,818,794</u>	<u>\$ 2,406,051</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2014

	Business-Type			Governmental Activities Internal Service
	Utilities	Parking Garage	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 12,402,911	\$ 311,756	\$ 12,714,667	\$ 2,376,361
Payments to employees	(1,610,415)	-	(1,610,415)	-
Payments to suppliers	(11,321,204)	(26,625)	(11,347,829)	(1,699,474)
Payments for interfund services used	(1,307,912)	(4,546)	(1,312,458)	-
Net cash from operating activities	<u>(1,836,620)</u>	<u>280,585</u>	<u>(1,556,035)</u>	<u>676,887</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
(Increase) in interfund receivable	-	(280,585)	(280,585)	(676,887)
Increase in interfund payable	893,073	-	893,073	-
Net cash from noncapital financing activities	<u>893,073</u>	<u>(280,585)</u>	<u>612,488</u>	<u>(676,887)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Intergovernmental grant	1,100,000	-	1,100,000	-
Interest paid on capital debt	(118,682)	-	(118,682)	-
Bond proceeds, issuance costs, and premiums/discounts	1,999,094	-	1,999,094	-
Purchase of capital assets	(1,708,693)	-	(1,708,693)	-
Net cash from capital and related financing activities	<u>1,271,719</u>	<u>-</u>	<u>1,271,719</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment income received	7,469	-	7,469	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	335,641	-	335,641	-
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>4,393,841</u>	<u>-</u>	<u>4,393,841</u>	<u>100,000</u>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<u>\$ 4,729,482</u>	<u>\$ -</u>	<u>\$ 4,729,482</u>	<u>\$ 100,000</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (4,936,891)	\$ 19,209	\$ (4,917,682)	\$ 1,311,677
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	3,678,777	233,231	3,912,008	-
Changes in assets and liabilities				
Accounts receivable	(1,393,044)	(2,000)	(1,395,044)	53,950
Notes receivable	-	29,760	29,760	-
Prepaid expense	-	-	-	172,223
Accounts payable	789,541	385	789,926	-
Accrued payroll and compensated absences	14,934	-	14,934	-
Unearned revenue	9,518	-	9,518	-
Net pension obligation	545	-	545	-
Claims payable	-	-	-	(860,963)
NET CASH FROM OPERATING ACTIVITIES	<u>\$ (1,836,620)</u>	<u>\$ 280,585</u>	<u>\$ (1,556,035)</u>	<u>\$ 676,887</u>
<b>CASH AND INVESTMENTS</b>				
Cash and cash equivalents	\$ 4,266,544	\$ -	\$ 4,266,544	\$ 100,000
Restricted cash	462,938	-	462,938	-
<b>TOTAL CASH AND INVESTMENTS</b>	<u>\$ 4,729,482</u>	<u>\$ -</u>	<u>\$ 4,729,482</u>	<u>\$ 100,000</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS  
STATEMENT OF FIDUCIARY NET POSITION  
PENSION TRUST FUNDS  
December 31, 2014

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**ASSETS**

Cash and investments	
Cash and cash equivalents	\$ 95,966
Investments	
U.S. Government and agency securities	15,126,943
Corporate bonds	16,448,861
Money market mutual funds	3,783,438
Equities	18,260,232
Equity mutual funds	44,353,207
Certificates of deposit	246,727
State and local obligations	1,192,961
Insurance contracts	<u>124,535</u>
Total Cash and Investments	<u>99,632,870</u>

Receivables	
Accrued interest	246,930
Other receivables	19,169
Due from governmental funds	<u>32,589</u>
Total Receivables	<u>298,688</u>

Prepays	<u>775</u>
Total Assets	<u>99,932,333</u>

**LIABILITIES**

Accounts payable	<u>42,411</u>
Total Liabilities	<u>42,411</u>

**NET POSITION HELD IN TRUST FOR**

<b>PENSION BENEFITS</b>	<u><u>\$ 99,889,922</u></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, 2014

**ADDITIONS**

Contributions	
Employer	\$ 3,972,831
Participants	<u>1,866,465</u>
Total Contributions	<u>5,839,296</u>
Investment income	
Net appreciation in fair value of investments	344,486
Interest earned	3,474,602
Less investment expenses	<u>(231,514)</u>
Total Investment Income	<u>3,587,574</u>
Total Additions	<u>9,426,870</u>

**DEDUCTIONS**

Administrative	138,467
Pension benefits and refunds	<u>8,434,024</u>
Total Deductions	<u>8,572,491</u>

NET INCREASE 854,379

NET POSITION HELD IN TRUST FOR  
PENSION BENEFITS - January 1 99,035,543

**NET POSITION HELD IN TRUST FOR  
PENSION BENEFITS - December 31** \$ 99,889,922

**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, the 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. The 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, the 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. The 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.

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(Continued)



CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

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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 non-fiduciary 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, 2014

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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, 2014

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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 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, 2014 for debt and equity securities. Mutual funds, investment funds and insurance separate accounts are valued at contract value as of December 31, 2014.

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 nonspendable or restricted fund balance in applicable governmental funds to indicate that 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.

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 net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. 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 net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. 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 deferred 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, 2014, the City reported \$927,412 within its General Fund and \$29,198 within its Utilities Fund related to sick leave purchased back for 2014. 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, 2014

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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 Governmental Accounting Standard Board's (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, 2014, 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, 2014, 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, 2014

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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 2008-2014 bond issues are required by bond covenants to be directly deposited in an escrow account. The balance of that escrow account at December 31, 2014 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:

6/1/2015	\$ 96,513
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In addition, unspent bond proceeds in the amount of \$462,938 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 \$373,751 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.

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

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

Deficit Fund Balances: The CDBG Fund had a deficit fund balance at December 31, 2014 of (\$287,608). 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, 2014

**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	\$ 21,133,720	\$ 22,061,756	Custodial credit deposits
Illinois Funds	2,216,843	2,216,843	Credit rate risk
Certificates of deposit	808,576	808,576	Custodial credit deposits
U.S. Treasury	11,282,463	11,282,463	Custodial credit investments and interest rate risks
U.S. agencies	3,844,480	3,844,480	Custodial credit investments, credit, concentration of credit and interest rate risk
Insurance Company Contracts	124,535	124,535	Credit and interest rate
Corporate bonds	16,448,861	16,448,861	Custodial credit, credit, and interest rate risk
Equities	18,260,232	18,260,232	Custodial credit risk
Equity mutual funds	44,353,207	44,353,207	Custodial credit risk
State and local obligations	1,192,961	1,192,961	Custodial credit, credit, and interest rate risk
Money market mutual funds	<u>3,783,438</u>	<u>3,783,438</u>	Credit rate risk
	<u>\$ 123,449,316</u>	<u>\$ 124,377,352</u>	
Reconciliation to financial statements			
Per Statement of Net Position			
Cash and investments	\$ 22,883,244		
Restricted cash	933,202		
Per Statement of Net Position -			
Fiduciary funds			
Pension Trust Funds	<u>99,632,870</u>		
Total Cash and Investments	<u>\$ 123,449,316</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 Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and 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.

(Continued)

**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, 2014, 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:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

In accordance with its investment policy, the 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, 2014, none of the City's deposits were subject to such risk. 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. 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, corporate bonds, 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, 2014, 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, 2014, the Police Pension Fund held \$2,281,999 in cash accounts listed as cash and cash equivalents and money market funds, which is approximately 3.69% of Pension Fund Cash and Investments.

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

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

As of December 31, 2014, 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	\$ 7,243,344	\$ 993,508	\$ 3,602,699	\$ 2,647,137	\$ -
U.S. agencies	2,471,099	911,169	792,678	29,196	738,056
Corporate bonds	10,661,132	311,994	5,570,177	4,778,961	-
State and local	794,878	-	439,909	354,969	-
<b>Total</b>	<b>\$21,170,453</b>	<b>\$2,216,671</b>	<b>\$10,405,463</b>	<b>\$ 7,810,263</b>	<b>\$ 738,056</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 \$225,000 and total \$716,156. Corporate bonds were rated BBB or higher by Standard & Poor's or by Moody's Investors Services.

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, 2014, the Police Pension Fund had greater than five percent of its overall portfolio invested in the following:

<u>Investment</u>	<u>Amount Invested</u>	<u>Percentage of Total Portfolio</u>
Artisan Mid Cap Fund	\$ 6,770,459	10.94%
American Funds Washington Mutual Fund	6,364,259	10.28%

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

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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:

Artisan Mid Cap Fund	\$ 6,770,459
American Funds Washington Mutual	6,364,259
Lazard Emerging Markets Equity Fund	4,074,711
Vanguard Developed Market Index Fund	3,017,097
Voya Real Estate Fund	1,873,287
Aston/ Fairpointe Mid Cap Growth Mutual Fund	1,782,040
Artisan Funds Mid Cap Institutional Fund	1,669,718
AlianzGI NFJ Small-Cap Value Fund	1,630,237
Vanguard FTSE Developed Markets ETF Fund	1,030,412
iShares Core S&P Small-Cap ETF Fund	760,324

Firefighters' Pension Deposits and Investments: The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by Illinois Compiled Statutes. 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 Government or agreements to repurchase these same obligations, repurchase agreements, corporate bonds, equities, 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 Firefighters' Pension Fund's deposits may not be returned to it. At December 31, 2014, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Firefighters' 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 Firefighters' 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 Firefighters' 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 Firefighters' 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, 2014

**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, 2014, the Firefighters' Pension Fund held \$1,597,405 in cash accounts listed as cash and cash equivalents and money market funds, which is approximately 4.24% of Pension Fund Cash and Investments.

As of December 31, 2014, 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	\$ 4,039,119	\$ -	\$ 2,806,791	\$ 1,232,328	\$ -
U.S. agencies	1,373,381	202,482	689,194	35,852	445,853
Corporate bonds	5,787,729	359,277	3,100,943	2,327,509	-
Certificates of deposit	246,727	148,705	98,022	-	-
State and local obligations	<u>398,083</u>	-	-	<u>398,083</u>	-
Total	<u>\$ 11,845,039</u>	<u>\$ 710,464</u>	<u>\$ 6,694,950</u>	<u>\$ 3,993,772</u>	<u>\$ 445,853</u>

*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+. Unrated investments individually are under \$125,000 and total \$376,578 as of December 31, 2014. Corporate bonds were rated BBB or higher by Standard & Poor's or by Moody's Investors Services.

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 Firefighters' 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, 2014, the Firefighters' Pension Fund had greater than five percent of its overall portfolio invested in the following:

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

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

<u>Investment</u>	<u>Invested</u>	<u>Total Portfolio</u>
Harbor International Institutional Fund	\$ 5,320,524	14.21%
iShares Core S&P 500 ETF Fund	4,730,703	12.63%
Harding Loevner Emerging Market Portfolio Fund	2,200,062	5.88%

The Firefighters' Pension Fund's investment policy requires diversification of investments to avoid unreasonable risk. The Firefighters' 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:

Harbor International Institutional Fund	\$ 5,320,524
iShares Core S&P 500 ETF fund	4,730,703
Harding Loevner Emerging Market Portfolio Fund	2,200,062
Vanguard REIT ETF Fund	1,193,940
ASTON/Fairpointe Mid Cap Blend Fund	1,008,004
Madison Mid Cap Growth Fund	927,430

**B. Receivables**

Property Taxes: Property taxes for 2014 attach as an enforceable lien on January 1, 2014 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, 2015 and October 1, 2015 and are payable in two installments, on or about April 1, 2015 and November 1, 2015. 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>\$ 25,724</u>	<u>\$ 250,707</u>	<u>\$ 2,518,958</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, 2014

**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, 2014 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	\$ 333,061	\$ -	\$ 685	\$ 332,376	\$ 1,425
255,000	253,101	-	11,919	241,182	12,781
35,000	30,476	-	1,282	29,194	1,332
92,063	92,063	-	-	92,063	4,429
<u>\$ 772,063</u>	<u>\$ 708,701</u>	<u>\$ -</u>	<u>\$ 13,886</u>	<u>\$ 694,815</u>	<u>\$ 19,967</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.
- \$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, 2014

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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	\$ 5,425,195	\$ -
Utility billings	-	6,270,556
Allowance for uncollectible	(4,480,303)	(577,009)
Franchise fees	96,684	-
Other	<u>1,590,560</u>	<u>1,110,021</u>
Total	<u>\$ 2,632,136</u>	<u>\$ 6,803,568</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>Description</u>	<u>Amount</u>
<u>Unavailable:</u>	
Subsequent year's tax levy	<u>\$ 29,353,601</u>
<u>Unearned:</u>	
CDBG loan program	2,518,958
Library Live and Learn program	125,000
Grants	4,647
TIF repayment agreement	3,692
Motor Fuel Tax Fund	234,574
BDC loan late fees	<u>29,221</u>
Total Unearned Revenue	<u>2,916,092</u>
Total	<u>\$ 32,269,693</u>

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

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

**C. Capital Assets**

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

<u>Primary Government</u>	<u>Balance January 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31</u>
<b>Government activities</b>				
Capital assets not being depreciated				
Land	\$ 10,002,147	\$ -	\$ -	\$ 10,002,147
CIP	<u>87,683</u>	<u>2,023,773</u>	<u>87,683</u>	<u>2,023,773</u>
Total Capital Assets Not Being Depreciated	<u>10,089,830</u>	<u>2,023,773</u>	<u>87,683</u>	<u>12,025,920</u>
Capital assets being depreciated				
Vehicles	7,185,052	775,801	73,400	7,887,453
Equipment	2,723,685	202,749	-	2,926,434
Land improvements	10,307,604	569,886	-	10,877,490
Buildings	15,678,126	138,601	-	15,816,727
Infrastructure	<u>54,501,684</u>	<u>-</u>	<u>-</u>	<u>54,501,684</u>
Total Capital Assets Being Depreciated	<u>90,396,151</u>	<u>1,687,037</u>	<u>73,400</u>	<u>92,009,788</u>
Less accumulated depreciation for				
Vehicles	3,871,642	546,378	73,400	4,344,620
Equipment	1,479,845	160,113	-	1,639,958
Land improvements	2,793,215	368,647	-	3,161,862
Buildings	4,518,619	383,807	-	4,902,426
Infrastructure	<u>34,312,898</u>	<u>2,176,770</u>	<u>-</u>	<u>36,489,668</u>
Total Accumulated Depreciation	<u>46,976,219</u>	<u>3,635,715</u>	<u>73,400</u>	<u>50,538,534</u>
Total Capital Assets Being Depreciated, Net	<u>43,419,932</u>	<u>(1,948,678)</u>	<u>-</u>	<u>41,471,254</u>
Total Government Activities	<u>\$ 53,509,762</u>	<u>\$ 75,095</u>	<u>\$ 87,683</u>	<u>\$ 53,497,174</u>

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

<u>Function</u>	<u>Amount</u>
Government Activities	
General government	\$ 122,822
Public safety	684,510
Public works	2,573,163
Economic development	72,134
Culture and recreation	<u>183,086</u>
Total Government Activities	<u>\$ 3,635,715</u>

(Continued)



CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

**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	124,205	13,368	124,205	13,368
	<u>148,805</u>	<u>13,368</u>	<u>124,205</u>	<u>37,968</u>
Total Capital Assets Not Being Depreciated				
Capital assets being depreciated				
Vehicles	331,890	-	-	331,890
Land improvements	251,291	-	-	251,291
Buildings	11,203,924	-	-	11,203,924
Equipment	137,343	-	-	137,343
Infrastructure	113,907,475	1,819,530	-	115,727,005
	<u>125,831,923</u>	<u>1,819,530</u>	<u>-</u>	<u>-</u>
Total Capital Assets Being Depreciated				
Less accumulated depreciation for				
Vehicles	166,782	26,358	-	193,140
Land improvements	251,291	-	-	251,291
Buildings	1,329,218	233,268	-	1,562,486
Equipment	48,069	13,734	-	61,803
Infrastructure	89,788,382	3,638,648	-	93,427,030
	<u>91,583,742</u>	<u>3,912,008</u>	<u>-</u>	<u>95,495,750</u>
Total Accumulated Depreciation				
Total Capital Assets Being Depreciated, Net				
	<u>34,248,181</u>	<u>(2,092,478)</u>	<u>-</u>	<u>32,155,703</u>
Total Business-Type Activities				
	<u>\$ 34,396,986</u>	<u>\$ (2,079,110)</u>	<u>\$ 124,205</u>	<u>\$ 32,193,671</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	\$ 3,678,777
Parking garage	<u>233,231</u>
Total Business-Type Activities	<u>\$ 3,912,008</u>

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

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

**D. Interfund Disclosures**

Due To/From Other Funds:

Receivable Fund

<u>Major Governmental Funds</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Library	\$ 64,912	Exp. reimbursement
General Fund	CDBG	560,623	Exp. reimbursement
General Fund	NSP	66,345	Exp. reimbursement
General Fund	MFT	1,094,714	Exp. reimbursement
General Fund	South Berwyn TIF	139,396	Exp. reimbursement
General Fund	Harlem TIF	197,975	Exp. reimbursement
General Fund	Cermak TIF	215,170	Exp. reimbursement
General Fund	Roosevelt TIF	139,989	Exp. reimbursement
General Fund	Ogden Ave. TIF	121,164	Exp. reimbursement
General Fund	Grants Fund	344,811	Exp. reimbursement
General Fund	Asset Forfeiture	186,140	Exp. reimbursement
General Fund	2007 Bond	56,820	Exp. reimbursement
General Fund	Utilities Fund	2,852,376	Exp. reimbursement
Debt Service	General Fund	450,860	Tax collections

NonMajor Governmental Fund

Emergency 911	General Fund	196	Exp. reimbursement
Infrastructure Bond	General Fund	<u>18,727</u>	Cash held
Total Governmental Funds		6,510,218	
Parking Garage	General Fund	682,594	Permit Revenues
Internal Service	General Fund	<u>4,715,331</u>	Reimbursement Claims
Total		<u>\$ 11,908,143</u>	

All interfund balances are expected to be repaid during 2015.

Due To/From Fiduciary Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
Police Pension	General Fund	\$ 15,883	Tax collections
Fire Pension	General Fund	<u>16,706</u>	Tax collections
Total		<u>\$ 32,589</u>	

These interfunds are related to tax collections received in January or February and remitted to fiduciary funds in January or February. All of these interfunds will be repaid during 2015.

(Continued)

CITY OF BERWYN, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2014

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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	MFT	<u>380,000</u>	Reimbursement of salaries
Total General Fund		<u>580,000</u>	
Debt Service Fund	Roosevelt Road TIF	272,084	Debt service
Debt Service Fund	Ogden Avenue TIF	415,000	Debt service
Debt Service Fund	South Berwyn TIF	<u>458,144</u>	Debt service
Total Debt Service Fund		<u>1,145,228</u>	
<u>NonMajor Governmental Funds</u>			
CDBG Fund	General Fund	<u>553,007</u>	Reimbursement of program expenditures
Total NonMajor Governmental Funds		<u>553,007</u>	
 Total		 <u>\$ 2,278,235</u>	

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

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

**E. Long-Term Obligations**

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
Bonds and notes payable					
General obligation debt	\$ 131,540,282	\$ 4,328,577	\$ 3,720,000	\$ 132,148,859	\$ 3,910,000
Installment notes payable	737,012	-	116,370	620,642	193,951
Mortgage notes payable	2,359,840	-	281,861	2,077,979	250,196
Unamortized premiums	1,442,877	349,073	300,682	1,491,268	-
Unamortized (discounts)	(506,203)	-	(28,965)	(477,238)	-
	<u>135,573,808</u>	<u>4,677,650</u>	<u>4,389,948</u>	<u>135,861,510</u>	<u>4,354,147</u>
Total Bonds and Notes Payable					
Other liabilities					
Capital leases	439,123	120,000	204,041	355,082	206,791
Claims payable	3,531,548	343,303	1,204,266	2,670,585	557,585
Net pension obligation	224,356	4,763	-	229,119	-
Net OPEB obligation	921,506	-	128,699	792,807	-
IMRF early retirement liability	473,010	35,482	169,246	339,246	-
Compensated absences	4,168,905	586,953	442,436	4,313,422	927,412
	<u>9,758,448</u>	<u>1,090,501</u>	<u>2,148,688</u>	<u>8,700,261</u>	<u>1,691,788</u>
Total Other Liabilities					
Total Governmental Long-Term Obligations	<u>\$ 145,332,256</u>	<u>\$ 5,768,151</u>	<u>\$ 6,538,636</u>	<u>\$ 144,561,771</u>	<u>\$ 6,045,935</u>
<u>Business-Type Activities</u>					
General obligation debt	\$ 2,945,000	\$ 2,015,000	\$ -	\$ 4,960,000	\$ -
Unamortized premiums	19,796	53,138	2,529	70,405	-
Unamortized (discounts)	(18,642)	(22,283)	(1,622)	(39,303)	-
Net pension obligation	23,804	545	-	24,349	-
Compensated absences	79,515	39,750	17,511	101,754	29,198
	<u>3,049,473</u>	<u>2,086,150</u>	<u>18,418</u>	<u>5,117,205</u>	<u>29,198</u>
Total Business-Type Long Term Obligations	<u>\$ 3,049,473</u>	<u>\$ 2,086,150</u>	<u>\$ 18,418</u>	<u>\$ 5,117,205</u>	<u>\$ 29,198</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, 2014

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

General obligation bonds currently outstanding are as follows:

<u>Governmental Activities</u>	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount</u>	<u>Balance 12/31/2014</u>
General obligation debt					
Corporate purpose	08/15/07	5.00%	12/01/27	\$ 28,165,000	\$ 28,165,000
	10/09/08	4.30-5.00%	12/01/28	7,830,000	7,830,000
	10/29/09	4.75%	12/01/29	5,165,000	5,165,000
	12/30/09	3.00-4.00%	12/01/18	7,720,000	7,720,000
	10/28/10	2.00-5.00%	12/01/30	9,150,000	8,550,000
	10/27/11	4.50%	12/01/31	5,230,000	5,230,000
	11/20/12	3.25-3.38%	12/01/32	8,500,000	8,500,000
	11/07/13	5.00%	12/01/27	5,705,000	5,705,000
	11/24/14	3.75-5.00%	12/01/34	4,270,000	4,270,000
Capital appreciation bonds	04/03/02	3.00-5.25%	12/01/16	1,335,140	763,859
Taxable bonds	08/15/07	5.62-5.71%	12/01/22	21,395,000	19,900,000
	10/31/13	3.55-5.30%	12/01/23	30,350,000	30,350,000
Total Governmental Activities General Obligation Debt					<u>\$132,148,859</u>
<u>Business-type Activities</u>					
General obligation debt					
Corporate purpose	10/28/10	2.00-5.00%	12/01/29	\$ 850,000	\$ 850,000
	10/27/2011	4.50%	12/01/31	2,095,000	2,095,000
	11/24/2014	3.75-5.00%	12/01/34	2,015,000	2,015,000
Total Business-Type Activities General Obligation Debt					<u>\$ 4,960,000</u>

The City reviews federal arbitrage requirements annually and has determined that no liability for rebatable arbitrage exists at December 31, 2014.

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 interest at 6.00%. The total amount outstanding under the agreement at December 31, 2014 was \$620,642. Principal payments made in 2014 totaled \$116,370. 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, 2014 was \$2,077,979. Principal payments made in 2014 totaled \$281,863. 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, 2014

**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>
2015	\$ 3,500,000	\$ 6,206,767	\$ -	\$ 205,225
2016	3,655,000	6,061,222	100,000	205,225
2017	3,815,000	5,899,892	125,000	202,225
2018	19,325,000	5,718,649	150,000	198,163
2019	4,310,000	4,984,047	150,000	192,913
2020-2024	40,140,000	20,341,139	1,100,000	851,938
2025-2029	34,350,000	9,403,928	1,735,000	620,438
2030-2034	<u>22,290,000</u>	<u>2,387,158</u>	<u>1,600,000</u>	<u>220,975</u>
Totals	<u>\$ 131,385,000</u>	<u>\$ 61,002,802</u>	<u>\$ 4,960,000</u>	<u>\$ 2,697,102</u>

The annual requirements to amortize to maturity capital appreciation bonds outstanding as of December 31, 2014 are as follows:

	<u>Principal</u>	<u>Interest Accretion</u>
2015	\$ 410,000	\$ 40,203
2016	<u>415,000</u>	<u>20,938</u>
	<u>\$ 825,000</u>	<u>\$ 61,141</u>

Increases to general obligation debt in 2014, include the current year interest accretion for capital appreciation bonds of \$58,577 and the issuance of the 2014 General Obligation Bonds of \$6,285,000.

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

	Government Activities Installment Notes Payable	
	<u>Principal</u>	<u>Interest</u>
2015	\$ 444,147	\$ 77,633
2016	407,437	56,934
2017	1,730,667	42,360
2018	<u>116,370</u>	<u>3,491</u>
Totals	<u>\$ 2,698,621</u>	<u>\$ 180,419</u>

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

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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 \$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, 2014 was \$70,363. Principal payments made in 2014 totaled \$66,918. 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, 2014 was \$48,400. Principal payments made in 2014 totaled \$46,790. 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, 2014 was \$157,487. Principal payments made in 2014 totaled \$49,165. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$120,000 lease financing agreement in February, 2014 for the purchase of a dump truck 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 2.95%. The total amount outstanding under the agreement at December 31, 2014 was \$78,832. Principal payments made in 2014 totaled \$41,168. 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	\$1,215,066	\$482,694	\$732,372

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(Continued)

CITY OF BERWYN, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2014

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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, 2014, are as follows:

	Governmental Activities Capital Leases Payable	
	Principal	Interest Accretion
2015	\$ 208,401	\$ 12,410
2016	92,466	4,715
2017	54,215	1,797
Totals	\$ 355,082	\$ 18,922

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 3H. 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, 2014

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

Advance and Current Refundings:

*Current Year Refunding of Debt*

On November 24, 2014, the City issued \$6,285,000 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>
2004	\$ 1,660,000	\$ 41,500	\$ 1,701,500
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	227,734	377,734
2011	-	158,844	158,844
2012	-	138,798	138,798
Bank Loan	<u>988,821</u>	<u>10,000</u>	<u>998,821</u>
<b>Total</b>	<b><u>\$ 2,798,821</u></b>	<b><u>\$ 1,723,231</u></b>	<b><u>\$ 4,522,052</u></b>

The cash flow requirements on the refunded bonds prior to the refunding were \$4,522,052 in 2014. The cash flow requirements on the portion of the 2014 tax exempt bonds used to refund the bonds are \$8,439,750 from 2015 through 2034. 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.

In addition, \$2,000,000 of the issuance will be directed toward the City's utility fund for infrastructure improvements as well as a residential flood mitigation program.

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. Amortization for 2014 was \$222,298 which is reported in the governmental activities. The balance of the unamortized loss at December 31, 2014 was \$2,173, 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, 2014

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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, 2014, there was one series of IDRBs outstanding. The aggregate principal amount payable for the IDRBs outstanding as of December 31, 2014 was \$770,439.

**E. 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, 2014 was \$2,670,585 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>	<u>Current</u> <u>Portion</u>
2013	\$ 3,545,826	\$ 1,387,112	\$ (1,401,390)	\$ 3,531,548	\$ -
2014	3,531,548	343,303	(1,204,266)	2,670,585	557,585

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(Continued)

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

**F. 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 2014, 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, 2014 is \$1,744,785. Of this balance, \$620,642 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.

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

Plan Description: The City offers postemployment health care benefits in accordance with Illinois Compiled Statutes, 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, 2014

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

Eligibility for these benefits as of December 31, 2014 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 normal
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 and 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, 2014 was as follows:

Annual required contributions	\$	377,718
Interest on net OPEB obligation		36,860
Adjustment to annual required contribution		<u>(30,717)</u>
Annual OPEB cost		383,861
Contributions made		<u>512,560</u>
Increase in net OPEB obligation		(128,699)
Net OPEB obligation beginning of year		<u>921,506</u>
Net OPEB obligation end of year	\$	<u><u>792,807</u></u>

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

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

**Trend Information**

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>
Annual OPEB cost	\$ 229,545	\$ 217,036	\$ 383,861
Actual contribution	348,386	348,386	512,560
Percentage of annual OPEB cost contributed	151.80%	160.50%	133.53%
Net OPEB obligation	1,052,856	921,506	792,807

**Funded Status and Funding Progress**

The funded status and funding progress of the plan as of December 31, 2014 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	28,294,438
UAAL as a percentage of covered payroll	25.99%

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.

**H. 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 Illinois Compiled Statutes 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, 2014

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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. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions 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, 2014 was 13.45% of covered payroll. The employer annual required contribution rate for calendar year 2014 was 13.45%.

*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, 2014 was 13.79% of covered payroll. The employer annual required contribution rate for calendar year 2014 was 13.79%.

*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 Illinois Compiled Statutes (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, 2014, 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><u>182</u></u>

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

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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% 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, 2011, by the year 2040, the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded. For the year ended December 31, 2014, the City's contribution was 20.69% 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 Illinois Compiled Statutes (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, 2014, 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 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees 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 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, 2011, the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. For the year ended December 31, 2014 the City's contribution was 29.48% 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.

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(Continued)



CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

**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, 2012	December 31, 2012	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	5 Year Smoothed Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Remaining amortization period	29 Years, Opened	29 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%	0.0%	0.0%
(d) Post-retirement benefit increases	3.00%	3.00%	3.00%	3.00%
* Increase includes inflation at:	N/A	N/A	3.00%	3.00%

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

**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, 2014 were as follows:

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>IMRF</u>	<u>IMRF SLEP</u>
Annual required contributions	\$ 3,812,119	\$ 3,521,960	\$ 1,179,414	\$ 17,953
Interest on net pension obligation	(630,571)	(649,497)	18,313	299
Adjustment to annual required contribution	<u>500,453</u>	<u>463,363</u>	<u>(13,090)</u>	<u>(214)</u>
Annual pension cost	3,682,001	3,335,826	1,184,637	18,038
Contributions made	<u>1,936,262</u>	<u>2,036,569</u>	<u>1,179,414</u>	<u>17,953</u>
Increase (decrease) in net pension obligation	1,745,739	1,299,257	5,223	85
Net pension obligation beginning of year	<u>(9,341,798)</u>	<u>(9,992,269)</u>	<u>244,168</u>	<u>3,992</u>
Net pension obligation (asset) end of year	<u>\$ (7,596,059)</u>	<u>\$ (8,693,012)</u>	<u>\$ 249,391</u>	<u>\$ 4,077</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)	2012	\$ 1,089,509	\$ 12,495	\$ 3,970,013	\$ 3,911,143
	2013	1,188,066	14,895	4,475,815	4,131,485
	2014	1,184,637	18,038	3,682,001	3,335,826
Actual contribution	2012	\$ 1,079,673	\$ 12,413	\$ 2,440,664	\$ 2,549,376
	2013	1,182,953	14,812	17,432,504	17,539,449
	2014	1,179,414	17,953	1,936,262	2,036,569
Percentage of APC contributed	2012	99.10%	99.34%	61.48%	65.18%
	2013	99.57%	99.44%	389.48%	424.53%
	2014	99.56%	99.53%	52.59%	61.05%
NPO (Asset)	2012	\$ 239,055	\$ 3,909	\$ 3,614,891	\$ 3,415,695
	2013	244,168	3,992	(9,341,798)	(9,992,269)
	2014	249,391	4,077	(7,596,059)	(8,693,012)

(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

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

Funded Status and Funding Progress

The funded status of the plans as of December 31, 2014 is as follows :

	<u>Illinois Municipal Retirement Fund</u>	<u>Sheriff's Law Enforcement Personnel</u>	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Percent Funded	81.88%	95.64%	58.63%	44.65%
Actuarial Accrued Liability	\$24,898,892	\$241,198	\$107,708,884	\$85,443,581
Actuarial Value of Assets	\$20,386,043	\$230,686	\$63,155,032	\$38,147,833
Unfunded Actuarial Accrued Liability	\$4,512,849	\$10,512	\$44,553,852	\$47,295,748
Covered Payroll	\$8,768,878	\$130,189	\$9,358,883	\$6,934,001
Ratio of the UAAL to Covered Payroll	51%	8%	476%	682%

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 1.93% of the City's payroll to the IMRF system. This liability accrues interest at varying annual rates, 7.5% for 2014. The outstanding balance of \$339,246 is recorded as a noncurrent liability within the government-wide financial statements.

**I. 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. Changes in the line of credit during 2014 were as follows:

<u>Balance January 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31</u>
\$ -	\$988,821.25	\$988,821.25	\$ -

(Continued)

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

**J. 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.

Capital Assets, 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, 2014 amounted to \$8,459. During the year, the BDC retired \$17,560 of property and recorded a net loss of \$65 thereon. The BDC expended \$6,964 for asset purchases in 2014.

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, 2014

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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	\$ 1,300,387	\$ 1,300,387	Custodial credit risk
Total	<u>\$ 1,300,387</u>	<u>\$ 1,300,387</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, 2014, \$1,050,387 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, 2014 of \$620,642. Notes receivable have a gross value of \$1,776,574 at December 31, 2014. 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>Payment Amount</u>	<u>Payment Frequency</u>	<u>Balance Due</u>
Prime + 1%	1/24/2019	\$38,790 + Int.	Quarterly	\$ 620,642
Prime - 0.5%	10/26/2015	3,035	Monthly	32,647
Prime	4/24/2019	3,236	Monthly	150,980
Prime + 1%	10/28/2018	1,554	Monthly	57,727
Prime + 2%	7/16/2015	3,175	Monthly	365,946
Prime + 2%	3/11/2016	1,766	Monthly	204,833
Prime + 2%	3/1/2018	387	Monthly	-
Prime + 2%	8/29/2018	1,273	Monthly	159,054
Prime + 2%	9/11/2016	1,122	Monthly	134,745
Fixed 7%	9/11/2015	-	Annual	<u>50,000</u>
Total				<u>\$ 1,776,574</u>

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(Continued)

CITY OF BERWYN, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

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

Long-Term Debt - Notes Payable: During 2014, 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, 2014 is \$1,744,785. 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>
2015	\$ -
2016	-
2017	747,765
2018	-
2019	997,020
2020 Thereafter	<u>-</u>
Totals	<u>\$ 1,744,785</u>

Lease Commitments: The BDC rents office space under a lease, which expires through December 31, 2019. Total rent paid during 2014 was \$12,360. Terms of the lease are effective June 1, 2015. In addition, the BDC leases a copier under a non-cancelable operating lease, which expires in 2017. Total lease expense in 2014 was \$16,800. Future minimum annual rental and lease payments are:

	<u>Principal</u>
2015	\$ 28,339
2016	28,493
2017	21,973
2018	12,720
2019	<u>12,720</u>
Totals	<u>\$ 104,245</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 \$12,571 in 2014.

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, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Property taxes	\$ 20,624,857	\$ 20,624,857	\$ 20,719,636	\$ 94,779
Other taxes	17,478,750	17,478,750	18,079,118	600,368
Licenses and permits	3,079,500	3,079,500	3,755,478	675,978
Charges for services	1,547,050	1,547,050	2,077,548	530,498
Fines and forfeitures	4,667,000	4,942,000	5,191,590	249,590
Intergovernmental	102,000	102,000	109,406	7,406
Investment income	35,000	35,000	56,118	21,118
Miscellaneous	1,009,393	1,149,393	1,557,622	408,229
Total Revenues	<u>48,543,550</u>	<u>48,958,550</u>	<u>51,546,516</u>	<u>2,587,966</u>
<b>EXPENDITURES</b>				
Current				
General government	3,774,181	3,755,381	3,581,579	173,802
Public safety	36,508,635	36,633,635	35,528,885	1,104,750
Public works	6,294,733	6,742,533	6,339,376	403,157
Economic development	230,347	243,347	237,034	6,313
Culture and recreation	1,903,979	1,978,979	1,752,713	226,266
Total Expenditures	<u>48,711,875</u>	<u>49,353,875</u>	<u>47,439,587</u>	<u>1,914,288</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(168,325)</u>	<u>(395,325)</u>	<u>4,106,929</u>	<u>4,502,254</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	2,500	2,500	1,261	(1,239)
Capital lease proceeds	-	227,000	120,000	(107,000)
Transfers in	735,000	735,000	580,000	(155,000)
Transfers (out)	<u>(553,007)</u>	<u>(553,007)</u>	<u>(553,007)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>184,493</u>	<u>411,493</u>	<u>148,254</u>	<u>(263,239)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 16,168</u>	<u>\$ 16,168</u>	<u>4,255,183</u>	<u>\$ 4,239,015</u>
<b>FUND BALANCE, JANUARY 1</b>			<u>10,061,247</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 14,316,430</u>	

See independent auditor's report.



CITY OF BERWYN, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
December 31, 2014

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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)
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%
2014	20,386,043	24,898,892	81.88%	4,512,849	8,768,878	51.46%

CITY OF BERWYN, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
 IMRF- SHERIFF'S LAW ENFORCEMENT PERSONNEL  
 December 31, 2014

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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) (Underfunded) AAL (UAAL) (2) - (1)	(5) Covered Payroll	(UAAL) As a Percentage of Covered Payroll (4) / (5)
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%
2014	230,686	241,198	95.64%	10,512	130,189	8.70%

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See independent auditor's report.

CITY OF BERWYN, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
POLICE PENSION FUND  
December 31, 2014

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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)
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	60,420,276	102,232,145	59.10%	41,811,869	8,837,019	473.14%
2015	63,155,032	107,708,884	58.63%	44,553,852	9,358,883	476.06%

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See independent auditor's report.

CITY OF BERWYN, ILLINOIS  
 SCHEDULE OF FUNDING PROGRESS  
 FIREFIGHTERS' PENSION FUND  
 December 31, 2014

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)
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	37,272,668	81,615,391	45.67%	44,342,723	6,536,116	678.43%
2015	38,147,833	85,443,581	44.65%	47,295,748	6,934,001	682.08%

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT BENEFITS  
December 31, 2014

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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)
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%
2014	-	7,352,332	0.00%	7,352,332	28,294,438	25.99%

CITY OF BERWYN, ILLINOIS  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 ILLINOIS MUNICIPAL RETIREMENT FUND  
 December 31, 2014

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Calendar Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net Pension Obligation
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
2014	1,179,414	1,179,414	100.00%	249,391

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See independent auditor's report.

CITY OF BERWYN

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 IMRF - SHEFFIFF'S LAW ENFORCEMENT PERSONNEL  
 December 31, 2014

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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>
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
2014	17,953	17,953	100.00%	4,077

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See independent auditor's report.

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND  
December 31, 2014

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Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net Pension Obligation (Asset)
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)
2014	1,936,262	3,812,119	50.79%	(7,596,059)

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See independent auditor's report.



CITY OF BERWYN, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 FIREFIGHTERS' PENSION FUND  
 December 31, 2014

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Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net Pension Obligation (Asset)
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)
2014	2,036,569	3,521,960	57.82%	(8,693,012)

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See independent auditor's report.

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFITS  
December 31, 2014

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Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net OPEB Obligation
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
2014	512,560	377,718	135.70%	792,807

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See independent auditor's report.

CITY OF BERWYN, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
December 31, 2014

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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, 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	
Building	\$ 24,644
Fleet	110,170
Motor Fuel Tax	<u>7,879</u>
Total	<u>\$ 142,693</u>

CITY OF BERWYN, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
December 31, 2014

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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	
Building	\$130,800
Police	275,000
Public Works	317,000
Zoning	3,000
Committee & Planning	10,000
Senior Services	75,000
Treasurer	1,200
Harlem TIF	180,000
Ogden TIF	22,000
Roosevelt TIF	<u>103,000</u>
Total	<u>\$1,117,000</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, 2014

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes - debt service	\$ 4,366,039	\$ 4,387,086	\$ 21,047
Investment income	-	1,474	1,474
Total Revenues	<u>4,366,039</u>	<u>4,388,560</u>	<u>22,521</u>
<b>EXPENDITURES</b>			
Debt Service			
Principal	3,720,000	3,720,000	-
Interest and fiscal charges	6,311,338	6,313,620	(2,282)
Bond issuance costs	218,000	91,210	126,790
Total Expenditures	<u>10,249,338</u>	<u>10,124,830</u>	<u>124,508</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(5,883,299)</u>	<u>(5,736,270)</u>	<u>147,029</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds issued, at par	4,738,071	4,270,000	(468,071)
Premium on issuance of long term debt	-	349,073	349,073
Transfers in - Roosevelt Road TIF	272,084	272,084	-
Transfers in - Ogden Avenue TIF	415,000	415,000	-
Transfers in - South Berwyn TIF	458,144	458,144	-
Total Other Financing Sources (Uses)	<u>5,883,299</u>	<u>5,764,301</u>	<u>(118,998)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	28,031	<u>\$ 28,031</u>
FUND BALANCE, JANUARY 1		<u>641,874</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 669,905</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>PROPERTY TAXES</b>				
Property taxes - general	\$ 20,624,857	\$ 20,624,857	\$ 20,719,636	\$ 94,779
<b>OTHER TAXES</b>				
Personal property replacement	219,000	219,000	227,550	8,550
State income	6,360,000	6,360,000	6,472,416	112,416
State sales	3,100,000	3,100,000	2,976,666	(123,334)
Home rule sales	2,300,000	2,300,000	2,180,628	(119,372)
Municipal utility	3,500,000	3,500,000	3,700,906	200,906
Liquor	175,000	175,000	173,090	(1,910)
Real estate transfer	1,250,000	1,250,000	1,788,150	538,150
Gas	380,000	380,000	286,111	(93,889)
Parking lot	2,250	2,250	1,680	(570)
Video	20,000	20,000	10,779	(9,221)
Video gaming	168,000	168,000	252,663	84,663
Pull tabs and jar games	4,500	4,500	8,479	3,979
Total Other Taxes	17,478,750	17,478,750	18,079,118	600,368
<b>LICENSES AND PERMITS</b>				
Vehicle				
Recreation vehicle	1,500	1,500	1,348	(152)
Motorcycle	13,500	13,500	16,056	2,556
Trucks	145,000	145,000	139,423	(5,577)
Passenger vehicles	1,125,000	1,125,000	1,325,451	200,451
Licenses				
Business	419,500	419,500	519,267	99,767
Liquor	205,000	205,000	180,944	(24,056)
Pet	15,000	15,000	11,840	(3,160)
Permits				
Commuter parking	100,000	100,000	143,996	43,996
Electrical	70,000	70,000	33,655	(36,345)
Municipal parking	100,000	100,000	115,281	15,281
Building	50,000	50,000	158,798	108,798
Certificate of compliance	70,000	70,000	70,319	319
Local improvement	625,000	625,000	858,540	233,540
Service charge and escrow default	95,000	95,000	108,685	13,685
Electrical sign inspection	45,000	45,000	71,875	26,875
Total Licenses and Permits	3,079,500	3,079,500	3,755,478	675,978

(Continued)



CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>CHARGES FOR SERVICES</b>				
Public safety				
Police reports	\$ 14,500	\$ 14,500	\$ 13,045	\$ (1,455)
Paramedic service collections	650,000	650,000	1,200,103	550,103
False alarms	3,000	3,000	16,260	13,260
Miscellaneous charges for services	22,500	22,500	19,636	(2,864)
CPR training revenue	800	800	170	(630)
Public works				
Plumbing inspection	60,000	60,000	91,273	31,273
Sanitation				
Recycling rebate	80,000	80,000	85,412	5,412
Recreation				
Athletics	84,250	84,250	86,665	2,415
Adult programs	35,000	35,000	26,608	(8,392)
Children's programs	215,000	215,000	249,818	34,818
Pool	80,000	80,000	35,774	(44,226)
Concession stand	12,500	12,500	3,481	(9,019)
Rental	3,000	3,000	2,275	(725)
Senior services				
Senior breakfast	2,500	2,500	3,105	605
Other fees for service	19,000	19,000	30,541	11,541
Other				
Commuter parking meters	45,000	45,000	35,838	(9,162)
Sale of gas	140,000	140,000	113,909	(26,091)
Sidewalk construction	80,000	80,000	63,635	(16,365)
	<u>1,547,050</u>	<u>1,547,050</u>	<u>2,077,548</u>	<u>530,498</u>
<b>FINES AND FORFEITURES</b>				
Towing fees	16,000	16,000	13,450	(2,550)
Impound vehicles	350,000	350,000	372,080	22,080
Booting	30,000	30,000	23,045	(6,955)
Cannabis tickets	31,000	31,000	48,351	17,351
Court fines	2,050,000	2,050,000	1,904,063	(145,937)
Violation fines	175,000	175,000	171,704	(3,296)
Local ordinance fines	515,000	515,000	644,266	129,266
Red Speed photo enforcement	1,500,000	1,775,000	2,014,631	239,631
	<u>4,667,000</u>	<u>4,942,000</u>	<u>5,191,590</u>	<u>249,590</u>

(Continued)

CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2014

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>INTERGOVERNMENTAL</b>				
Highway maintenance	\$ 102,000	\$ 102,000	\$ 109,406	\$ 7,406
Total Intergovernmental	<u>102,000</u>	<u>102,000</u>	<u>109,406</u>	<u>7,406</u>
<b>INVESTMENT INCOME</b>	<u>35,000</u>	<u>35,000</u>	<u>56,118</u>	<u>21,118</u>
<b>OTHER REVENUES</b>				
Franchises	360,000	360,000	385,071	25,071
Cell tower rental	125,000	125,000	136,012	11,012
Reimbursements	231,500	231,500	276,486	44,986
Grants	78,157	218,157	593,767	375,610
Contributions & sponsorships	5,250	5,250	1,448	(3,802)
Other	<u>209,486</u>	<u>209,486</u>	<u>164,838</u>	<u>(44,648)</u>
Total Other Revenues	<u>1,009,393</u>	<u>1,149,393</u>	<u>1,557,622</u>	<u>408,229</u>
<b>TOTAL REVENUES</b>	<u>\$ 48,543,550</u>	<u>\$ 48,958,550</u>	<u>\$ 51,546,516</u>	<u>\$ 2,587,966</u>

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CITY OF BERWYN, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>GENERAL GOVERNMENT</b>				
Mayor's Office				
Salaries and benefits	\$ 144,130	\$ 144,130	\$ 142,332	\$ 1,798
Internal service fund charges	3,116	3,116	2,708	408
Administrative expenditures	7,500	7,500	8,438	(938)
Supplies	1,600	1,600	1,238	362
Postage and printing	700	700	121	579
Repairs and maintenance	500	500	-	500
Other general	3,500	3,500	1,633	1,867
Copier maintenance	1,800	1,800	1,823	(23)
Total Mayor's Office	<u>162,846</u>	<u>162,846</u>	<u>158,293</u>	<u>4,553</u>
City Administrator's Office				
Salaries and benefits	332,939	332,939	334,184	(1,245)
Internal service fund charges	7,224	7,224	6,927	297
Training, dues and publications	13,953	13,953	8,366	5,587
Supplies	1,600	1,600	1,791	(191)
Postage and printing	700	700	950	(250)
Repairs and maintenance	500	500	-	500
Professional services	60,000	60,000	64,000	(4,000)
Other general	9,500	9,500	9,417	83
Copier maintenance	1,800	1,800	1,566	234
Total City Administrator's Office	<u>428,216</u>	<u>428,216</u>	<u>427,201</u>	<u>1,015</u>
City Clerk's Office				
Salaries and benefits	168,752	168,752	155,821	12,931
Internal service fund charges	3,608	3,608	2,926	682
Administrative expenditures	4,500	4,500	2,485	2,015
Training, dues and publications	4,700	4,700	6,230	(1,530)
Telephone	-	-	34	(34)
Supplies	3,000	3,000	1,896	1,104
Postage and printing	1,000	1,000	1,322	(322)
Codification	7,000	7,000	3,782	3,218
Record retention	8,000	8,000	5,182	2,818
Other general	2,500	2,500	112	2,388
Copier maintenance	7,300	7,300	6,631	669
Total City Clerk's Office	<u>210,360</u>	<u>210,360</u>	<u>186,421</u>	<u>23,939</u>
Treasurer's Office				
Salaries and benefits	50,799	51,999	51,142	857
Internal service fund charges	681	681	640	41
Supplies	-	-	173	(173)
Postage, printing and publications	4,000	4,000	2,800	1,200
Other general	-	-	425	(425)
Total Treasurer's Office	<u>55,480</u>	<u>56,680</u>	<u>55,180</u>	<u>1,500</u>
City Council				
Salaries and benefits	181,325	181,325	174,004	7,321
Internal service fund charges	4,488	4,488	3,553	935
Ward expenditures	36,000	36,000	25,006	10,994
Other general	500	500	-	500
Total City Council	<u>222,313</u>	<u>222,313</u>	<u>202,563</u>	<u>19,750</u>

(Continued)

## CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>GENERAL GOVERNMENT (CONTINUED)</b>				
Legal Department				
Salaries and benefits	\$ 276,684	\$ 276,684	\$ 268,977	\$ 7,707
Internal service fund charges	17,316	17,316	14,933	2,383
Supplies	1,800	1,800	1,123	677
Postage and printing	700	700	76	624
Adjudication program	35,000	35,000	31,393	3,607
Other general	1,400	1,400	196	1,204
Professional services	600,000	600,000	562,504	37,496
Copier maintenance	1,800	1,800	1,545	255
Total Legal Department	<u>934,700</u>	<u>934,700</u>	<u>880,747</u>	<u>53,953</u>
Finance Department				
Salaries and benefits	1,121,653	1,121,653	1,098,504	23,149
Internal service fund charges	31,073	31,073	28,492	2,581
Vehicle registration service	55,000	55,000	49,490	5,510
Other general	53,000	53,000	66,152	(13,152)
Postage, printing and publications	25,500	25,500	17,665	7,835
Telephone	52,000	32,000	12,383	19,617
Supplies	7,000	7,000	8,184	(1,184)
Training, dues and publications	8,000	8,000	4,318	3,682
Professional services	255,000	255,000	224,824	30,176
Copier maintenance	4,900	4,900	9,898	(4,998)
Total Finance Department	<u>1,613,126</u>	<u>1,593,126</u>	<u>1,519,910</u>	<u>73,216</u>
Information Technology Department				
Salaries and benefits	559,683	559,683	555,161	4,522
Internal service fund charges	17,246	17,246	15,899	1,347
Network infrastructure	180,000	180,000	169,682	10,318
Hardware purchases	70,000	70,000	67,449	2,551
Hardware maintenance	30,000	30,000	22,673	7,327
Software purchases	50,000	50,000	29,343	20,657
Software maintenance	30,000	30,000	27,206	2,794
Training, dues and publications	12,000	12,000	-	12,000
Other general	44,500	44,500	41,074	3,426
Professional services	20,000	20,000	22,059	(2,059)
Total Information Technology Department	<u>1,013,429</u>	<u>1,013,429</u>	<u>950,546</u>	<u>62,883</u>
Statutory				
Auditing/accounting expenditures	48,500	48,500	48,380	120
Bad debt expenditure	8,000	8,000	8,542	(542)
Unallocated employee benefits	30,000	30,000	52,756	(22,756)
Interdepartmental charges - water	(989,289)	(989,289)	(945,584)	(43,705)
Other	5,000	5,000	4,964	36
City wide software applications	31,500	31,500	31,660	(160)
Total Statutory	<u>(866,289)</u>	<u>(866,289)</u>	<u>(799,282)</u>	<u>(67,007)</u>
Total General Government	<u>3,774,181</u>	<u>3,755,381</u>	<u>3,581,579</u>	<u>173,802</u>

(Continued)

## CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>PUBLIC SAFETY</b>				
Fire Department				
Salaries and benefits	\$ 9,614,881	\$ 9,464,881	\$ 9,471,301	\$ (6,420)
Pension expenditures	2,027,341	2,027,341	2,036,570	(9,229)
Internal service fund charges	445,924	445,924	342,108	103,816
Collection service fees	65,000	65,000	48,373	16,627
Other general	93,250	93,250	29,140	64,110
Supplies	20,500	20,500	10,994	9,506
Telephone	15,000	15,000	8,840	6,160
Utilities	62,000	62,000	78,934	(16,934)
Training, dues, and education	60,000	60,000	30,758	29,242
Repairs and maintenance	202,000	202,000	144,970	57,030
Copier maintenance	4,700	4,700	4,644	56
Equipment purchases/capital outlay	175,000	175,000	84,720	90,280
Equipment lease	179,750	179,750	179,637	113
Turnout gear	40,000	40,000	15,637	24,363
Total Fire Department	<u>13,005,346</u>	<u>12,855,346</u>	<u>12,486,626</u>	<u>368,720</u>
Police Department				
Salaries and benefits	17,913,932	17,913,932	17,542,016	371,916
Pension expenditures	1,929,011	1,929,011	1,936,262	(7,251)
Internal service fund charges	1,499,099	1,499,099	1,273,237	225,862
Other general	88,250	88,250	108,265	(20,015)
Postage, printing, and publications	31,500	31,500	27,189	4,311
Telephone	108,900	108,900	125,386	(16,486)
Utilities	313,000	313,000	283,370	29,630
Training, dues, and education	85,000	85,000	101,756	(16,756)
Supplies	45,700	45,700	46,222	(522)
Repairs and maintenance	342,900	342,900	332,929	9,971
Red Speed photo enforcement	567,492	842,492	753,274	89,218
Capital outlay	457,000	457,000	457,472	(472)
Copier maintenance	23,600	23,600	22,905	695
Total Police Department	<u>23,405,384</u>	<u>23,680,384</u>	<u>23,010,283</u>	<u>670,101</u>
Fire and Police Commission				
Salaries and benefits	21,530	21,530	21,530	-
Training, dues, and education	5,375	5,375	-	5,375
Other general	71,000	71,000	10,446	60,554
Total Fire and Police Commission	<u>97,905</u>	<u>97,905</u>	<u>31,976</u>	<u>65,929</u>
Total Public Safety	<u>36,508,635</u>	<u>36,633,635</u>	<u>35,528,885</u>	<u>1,104,750</u>

(Continued)

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>PUBLIC WORKS</b>				
Building Department				
Salaries and benefits	\$ 885,415	\$ 885,415	\$ 880,915	\$ 4,500
Internal service fund charges	25,800	25,800	24,850	950
Other general	40,000	40,000	15,294	24,706
Postage, printing, and publications	8,000	8,000	17,753	(9,753)
Utilities	23,000	23,000	32,757	(9,757)
Telephone	10,000	10,000	8,932	1,068
Training, dues, and publications	2,000	2,000	2,276	(276)
Supplies	17,500	17,500	16,628	872
Professional services	360,000	400,800	386,952	13,848
Repairs and maintenance	150,000	240,000	292,039	(52,039)
Capital outlay	60,000	60,000	58,961	1,039
Copier maintenance	3,700	3,700	3,502	198
Total Building Department	<u>1,585,415</u>	<u>1,716,215</u>	<u>1,740,859</u>	<u>(24,644)</u>
Street Department				
Salaries and benefits	2,467,501	2,467,501	2,175,447	292,054
Internal service fund charges	223,217	223,217	97,038	126,179
Other general	14,600	14,600	2,730	11,870
Telephone	4,000	4,000	1,524	2,476
Utilities	22,000	22,000	34,115	(12,115)
External gas and oil	150,000	150,000	109,685	40,315
Supplies	202,500	202,500	101,070	101,430
Equipment lease	55,000	55,000	41,168	13,832
Equipment	124,500	351,500	323,391	28,109
Repairs and maintenance	320,000	320,000	262,449	57,551
Copier maintenance	1,000	1,000	1,143	(143)
Professional services	500,000	590,000	713,587	(123,587)
Total Street Department	<u>4,084,318</u>	<u>4,401,318</u>	<u>3,863,347</u>	<u>537,971</u>
Fleet Department				
Salaries and benefits	328,019	328,019	388,124	(60,105)
Internal service fund charges	11,231	11,231	10,837	394
Other general	80,750	80,750	213,422	(132,672)
Professional services	45,000	45,000	42,674	2,326
External gas and oil	14,000	14,000	10,237	3,763
Repairs and maintenance	146,000	146,000	69,876	76,124
Total Fleet Department	<u>625,000</u>	<u>625,000</u>	<u>735,170</u>	<u>(110,170)</u>
Total Public Works	<u>6,294,733</u>	<u>6,742,533</u>	<u>6,339,376</u>	<u>403,157</u>

(Continued)

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>ECONOMIC DEVELOPMENT</b>				
Zoning Boards of Appeals				
Salaries and benefits	\$ 6,847	\$ 6,847	\$ 7,356	\$ (509)
Other general	4,000	7,000	5,224	1,776
Total Zoning Boards of Appeals	<u>10,847</u>	<u>13,847</u>	<u>12,580</u>	<u>1,267</u>
Committees and Planning Department				
Berwyn Historical Society	5,000	5,000	5,000	-
West Central Municipal Conference	21,000	21,000	20,566	434
Historical Preservation Commission	5,000	15,000	5,685	9,315
Utility tax rebate	80,000	80,000	101,582	(21,582)
National Night Out	17,500	17,500	5,079	12,421
Berwyn Development Corporation Administrative Fee	86,000	86,000	86,000	-
Other general	5,000	5,000	542	4,458
Total Committees and Planning Department	<u>219,500</u>	<u>229,500</u>	<u>224,454</u>	<u>5,046</u>
Total Economic Development	<u>230,347</u>	<u>243,347</u>	<u>237,034</u>	<u>6,313</u>
<b>CULTURE AND RECREATION</b>				
Recreation Department				
Salaries and benefits	994,950	994,950	958,437	36,513
Internal service fund charges	98,818	98,818	24,230	74,588
Special events	50,000	50,000	62,474	(12,474)
Concession stand	-	-	58,756	(58,756)
Other general	75,000	75,000	47,562	27,438
Postage, printing, and publications	8,000	8,000	2,297	5,703
Telephone	8,000	8,000	6,485	1,515
Utilities	56,000	56,000	43,247	12,753
Supplies	125,000	125,000	49,038	75,962
Repairs and maintenance	130,000	130,000	130,875	(875)
Equipment purchases/capital outlay	50,000	50,000	16,694	33,306
Copier maintenance	5,300	5,300	4,934	366
Total Recreation Department	<u>1,601,068</u>	<u>1,601,068</u>	<u>1,405,029</u>	<u>196,039</u>

(Continued)

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
 GENERAL FUND  
 For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>CULTURE AND RECREATION (CONTINUED)</b>				
Community Relations Department				
Salaries and benefits	\$ 6,191	\$ 6,191	\$ 6,185	\$ 6
Other general	1,500	1,500	-	1,500
Total Community Relations Department	<u>7,691</u>	<u>7,691</u>	<u>6,185</u>	<u>1,506</u>
Senior Services Department				
Salaries and benefits	188,000	188,000	187,394	606
Special events - senior breakfast	6,000	6,000	5,597	403
Vehicle, gas, and oil	25,000	25,000	22,181	2,819
Telephone	2,000	2,000	4,003	(2,003)
Supplies	600	600	612	(12)
Postage and printing	3,200	3,200	5,472	(2,272)
Professional services	4,000	4,000	1,408	2,592
Repairs and maintenance	52,500	127,500	103,913	23,587
Equipment lease	6,000	6,000	4,800	1,200
Copier maintenance	1,000	1,000	1,143	(143)
Internal service fund charges	5,120	5,120	4,774	346
Other general	1,800	1,800	202	1,598
Total Senior Services Department	<u>295,220</u>	<u>370,220</u>	<u>341,499</u>	<u>28,721</u>
Total Culture and Recreation	<u>1,903,979</u>	<u>1,978,979</u>	<u>1,752,713</u>	<u>226,266</u>
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<u>\$ 48,711,875</u>	<u>\$ 49,353,875</u>	<u>\$ 47,439,587</u>	<u>\$ 1,914,288</u>



## NONMAJOR GOVERNMENTAL FUNDS

The 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.

The 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.

The 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.

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

The 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.

The 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 tax surcharge.

The 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.

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

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

The 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, 2014

	Special Revenue							
	NSP	Library	Motor Fuel Tax	South Berwyn Corridor TIF	Roosevelt Road TIF	Ogden Avenue TIF	Cermak Road TIF	
<b>ASSETS</b>								
Cash and investments	\$ 40	\$ 351,428	\$ 1,958,875	\$ 151,909	\$ -	\$ 197,302	\$ 400,558	\$ 445,527
Restricted cash	-	-	-	-	373,751	-	-	-
Receivables								
Property taxes	-	3,231,351	-	-	-	27,246	-	-
Notes	-	-	-	-	-	-	-	-
Interest	-	41	-	45	73	66	38	61
Accounts	108,764	8,163	-	-	4,692	-	-	-
Land held for resale	890,455	-	-	84,032	305,000	2,608,036	356,959	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	142,675	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 999,259</b>	<b>\$ 3,590,983</b>	<b>\$ 2,101,550</b>	<b>\$ 235,986</b>	<b>\$ 683,516</b>	<b>\$ 2,832,650</b>	<b>\$ 757,555</b>	<b>\$ 445,588</b>
<b>LIABILITIES</b>								
Accounts payable	\$ 109,876	\$ 36,179	\$ 81,771	\$ 3,478	\$ 908	\$ 1,639	\$ 17,497	\$ 2,200
Accrued payroll	-	43,884	-	-	-	-	-	-
Unearned revenues	-	125,000	234,574	-	3,692	-	-	-
Due to other funds	66,345	64,912	1,094,714	139,396	139,989	121,164	215,170	197,975
Other Liabilities	-	-	-	-	-	-	129,596	-
<b>TOTAL LIABILITIES</b>	<b>176,221</b>	<b>269,975</b>	<b>1,411,059</b>	<b>142,874</b>	<b>144,589</b>	<b>122,803</b>	<b>362,263</b>	<b>200,175</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	3,206,530	-	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>3,206,530</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT)</b>								
Restricted								
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	690,491	-	-	-	-	-
Culture and recreation	-	114,478	-	-	-	-	-	-
Economic Development	823,038	-	-	93,112	538,927	2,709,847	395,292	245,413
Committed								
Capital projects funded by bonds	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>823,038</b>	<b>114,478</b>	<b>690,491</b>	<b>93,112</b>	<b>538,927</b>	<b>2,709,847</b>	<b>395,292</b>	<b>245,413</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>	<b>\$ 999,259</b>	<b>\$ 3,590,983</b>	<b>\$ 2,101,550</b>	<b>\$ 235,986</b>	<b>\$ 683,516</b>	<b>\$ 2,832,650</b>	<b>\$ 757,555</b>	<b>\$ 445,588</b>

CITY OF BERWYN, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 December 31, 2014

	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	\$ 976,841	\$ 723,985	\$ 42,079	\$ 463,724	\$ 2,041,929	\$ -	\$ 7,754,297
Restricted cash	-	-	-	-	-	-	-	373,751
Receivables								
Property taxes	-	-	-	-	-	-	-	3,258,597
Notes	-	-	-	-	2,518,958	-	-	2,518,958
Interest	-	55	22	-	53	295	-	749
Accounts	394,463	-	125,410	-	-	-	-	641,492
Land held for resale	-	-	-	-	-	-	-	4,244,482
Due from other funds	-	-	196	-	-	-	18,727	18,923
Due from other governments	-	-	-	-	222,378	-	-	365,053
<b>TOTAL ASSETS</b>	<b>\$ 394,563</b>	<b>\$ 976,896</b>	<b>\$ 849,613</b>	<b>\$ 42,079</b>	<b>\$ 3,205,113</b>	<b>\$ 2,042,224</b>	<b>\$ 18,727</b>	<b>\$ 19,176,302</b>
<b>LIABILITIES</b>								
Accounts payable	\$ 1,132	\$ 32,322	\$ -	\$ -	\$ 408,539	\$ 446,910	\$ -	\$ 1,142,451
Accrued payroll	-	8,017	-	-	4,601	-	-	56,502
Unearned revenues	4,647	-	-	-	2,518,958	-	-	2,886,871
Due to other funds	344,812	186,140	-	-	560,623	56,820	-	3,188,060
Other Liabilities	-	-	-	-	-	-	-	129,596
<b>TOTAL LIABILITIES</b>	<b>350,591</b>	<b>226,479</b>	<b>-</b>	<b>-</b>	<b>3,492,721</b>	<b>503,730</b>	<b>-</b>	<b>7,403,480</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	3,206,530
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,206,530</b>
<b>FUND BALANCES (DEFICIT)</b>								
Restricted								
Public safety	43,972	750,417	849,613	42,079	-	-	-	1,686,081
Public works	-	-	-	-	-	-	-	690,491
Culture and recreation	-	-	-	-	-	-	-	114,478
Economic Development	-	-	-	-	-	-	-	4,805,629
Committed								
Capital projects funded by bonds	-	-	-	-	-	1,538,494	18,727	1,557,221
Unassigned	-	-	-	-	(287,608)	-	-	(287,608)
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>43,972</b>	<b>750,417</b>	<b>849,613</b>	<b>42,079</b>	<b>(287,608)</b>	<b>1,538,494</b>	<b>18,727</b>	<b>8,566,292</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)</b>	<b>\$ 394,563</b>	<b>\$ 976,896</b>	<b>\$ 849,613</b>	<b>\$ 42,079</b>	<b>\$ 3,205,113</b>	<b>\$ 2,042,224</b>	<b>\$ 18,727</b>	<b>\$ 19,176,302</b>

CITY OF BERWYN, ILLINOIS

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

	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	\$ -	\$ 2,997,525	\$ -	\$ 778,228	\$ 289,321	\$ 848,725	\$ -	\$ 575,895
Other taxes	-	-	-	-	-	-	-	-
Fines and forfeitures	-	46,590	-	-	-	-	-	-
Intergovernmental	145,972	70,821	1,734,612	-	-	-	-	-
Investment income	-	320	202	762	1,129	945	374	510
Miscellaneous	298,520	12,922	16,730	-	6,000	44,000	142,587	28,127
Total Revenues	444,492	3,128,178	1,751,544	778,990	296,450	893,670	142,961	604,532
<b>EXPENDITURES</b>								
Current								
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	1,397,879	-	-	-	-	-
Economic development	95,931	-	-	290,487	317,872	377,481	295,455	422,654
Culture and recreation	-	3,123,988	-	-	-	-	-	-
Capital outlay	1,861,941	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	116,370	-	281,861	-	-
Interest and fiscal charges	-	-	-	31,420	-	45,239	-	-
Total Expenditures	1,957,872	3,123,988	1,397,879	438,277	317,872	704,581	295,455	422,654
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,513,380)	4,190	353,665	340,713	(21,422)	189,089	(152,494)	181,878
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	-	-	(380,000)	(458,144)	(272,084)	(415,000)	-	-
Total Other Financing Sources (Uses)	-	-	(380,000)	(458,144)	(272,084)	(415,000)	-	-
NET CHANGE IN FUND BALANCES	(1,513,380)	4,190	(26,335)	(117,431)	(293,506)	(225,911)	(152,494)	181,878
FUND BALANCES (DEFICIT), JANUARY 1	2,336,418	110,288	716,826	210,543	832,433	2,935,758	547,786	63,535
<b>FUND BALANCES (DEFICIT), DECEMBER 31</b>	<b>\$ 823,038</b>	<b>\$ 114,478</b>	<b>\$ 690,491</b>	<b>\$ 93,112</b>	<b>\$ 538,927</b>	<b>\$ 2,709,847</b>	<b>\$ 395,292</b>	<b>\$ 245,413</b>

CITY OF BERWYN, ILLINOIS

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

	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,489,694
Other taxes	-	-	428,283	41,350	-	-	-	469,633
Fines and forfeitures	-	-	-	-	-	-	-	46,590
Intergovernmental	622,719	392,915	-	-	665,374	50,000	-	3,682,413
Investment income	-	1,081	3,754	14	155	3,439	-	12,685
Miscellaneous	-	-	-	-	40,384	-	-	589,270
<b>Total Revenues</b>	<b>622,719</b>	<b>393,996</b>	<b>432,037</b>	<b>41,364</b>	<b>705,913</b>	<b>53,439</b>	<b>-</b>	<b>10,290,285</b>
<b>EXPENDITURES</b>								
Current								
Public safety	21,236	577,315	201,384	60,191	-	-	-	860,126
Public works	553,118	-	-	-	-	-	-	1,950,997
Economic development	-	-	-	-	880,394	-	-	2,680,274
Culture and recreation	45,353	-	-	-	-	-	-	3,169,341
Capital outlay	-	-	-	-	-	635,196	-	2,497,137
Debt service								
Principal	-	-	-	-	-	-	-	398,231
Interest and fiscal charges	-	-	-	-	-	-	-	76,659
<b>Total Expenditures</b>	<b>619,707</b>	<b>577,315</b>	<b>201,384</b>	<b>60,191</b>	<b>880,394</b>	<b>635,196</b>	<b>-</b>	<b>11,632,765</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,012	(183,319)	230,653	(18,827)	(174,481)	(581,757)	-	(1,342,480)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	553,007	-	-	553,007
Transfers (out)	-	-	(200,000)	-	-	-	-	(1,725,228)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(200,000)</b>	<b>-</b>	<b>553,007</b>	<b>-</b>	<b>-</b>	<b>(1,172,221)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>3,012</b>	<b>(183,319)</b>	<b>30,653</b>	<b>(18,827)</b>	<b>378,526</b>	<b>(581,757)</b>	<b>-</b>	<b>(2,514,701)</b>
<b>FUND BALANCES (DEFICIT), JANUARY 1</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>
<b>FUND BALANCES (DEFICIT), DECEMBER 31</b>	<b>\$ 43,972</b>	<b>\$ 750,417</b>	<b>\$ 849,613</b>	<b>\$ 42,079</b>	<b>\$ (287,608)</b>	<b>\$ 1,538,494</b>	<b>\$ 18,727</b>	<b>\$ 8,566,292</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, 2014

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes - Library	\$ 2,986,312	\$ 2,997,525	\$ 11,213
Fines and forfeitures			
Book fines	30,000	28,502	(1,498)
Copier fees - maintenance fund	12,000	18,088	6,088
Intergovernmental revenue - Per Capita Grant	58,000	70,821	12,821
Intergovernmental revenue - Grants	50,000	-	(50,000)
Investment income	100	320	220
Miscellaneous revenues			
Donations - building fund	20,000	12,922	(7,078)
Contributions	45,000	-	(45,000)
Total Revenues	<u>3,201,412</u>	<u>3,128,178</u>	<u>(73,234)</u>
<b>EXPENDITURES</b>			
Culture and Recreation			
Salaries and benefits	2,461,137	2,367,360	93,777
Internal service fund charges	69,115	53,968	15,147
Books	165,000	176,442	(11,442)
Periodicals	17,000	19,143	(2,143)
Audio visual	43,000	35,877	7,123
Computer system	62,000	65,801	(3,801)
Dues and subscriptions	11,000	12,253	(1,253)
Computer support databases	40,000	33,766	6,234
Programs adult/children	45,000	26,296	18,704
Reciprocal borrowing	4,000	883	3,117
Promotions	13,000	9,913	3,087
Director expense	350	350	-
Board expense	350	794	(444)
Other general	-	21,725	(21,725)
Postage, printing, and publications	3,000	1,446	1,554
Telephone	14,000	22,617	(8,617)
Utilities	15,600	26,344	(10,744)
Supplies	98,000	99,049	(1,049)
Repairs and maintenance	150,000	149,961	39
Capital improvement	110,000	-	110,000
Total Expenditures	<u>3,321,552</u>	<u>3,123,988</u>	<u>197,564</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(120,140)</u>	<u>4,190</u>	<u>124,330</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	5,000	-	5,000
NET CHANGE IN FUND BALANCE	<u>\$ (115,140)</u>	<u>4,190</u>	<u>\$ 124,330</u>
FUND BALANCE, JANUARY 1		<u>110,288</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 114,478</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, 2014

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental revenues - state allotment	\$ 1,664,050	\$ 1,679,392	\$ 15,342
Investment income	-	202	202
Grants	-	55,220	55,220
Miscellaneous			
Reimbursements	-	16,730	16,730
Total Revenues	<u>1,664,050</u>	<u>1,751,544</u>	<u>87,494</u>
<b>EXPENDITURES</b>			
Public Works			
Rock salt	225,000	284,504	(59,504)
Utilities	300,000	463,596	(163,596)
Professional services	120,000	3,445	116,555
Capital outlay	385,000	383,253	1,747
Repairs and maintenance			
Traffic control	360,000	263,081	96,919
Total Expenditures	<u>1,390,000</u>	<u>1,397,879</u>	<u>(7,879)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>274,050</u>	<u>353,665</u>	<u>79,615</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	<u>(380,000)</u>	<u>(380,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (105,950)</u>	<u>(26,335)</u>	<u>\$ 79,615</u>
FUND BALANCE, JANUARY 1		<u>716,826</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u><u>\$ 690,491</u></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, 2014

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes - increment	\$ 1,075,328	\$ 778,228	\$ (297,100)
Investment income	<u>2,000</u>	<u>762</u>	<u>(1,238)</u>
Total Revenues	<u>1,077,328</u>	<u>778,990</u>	<u>(298,338)</u>
<b>EXPENDITURES</b>			
Economic Development			
TIF expenditures	263,226	123,552	139,674
TIF management services - BDC	195,060	166,935	28,125
Debt Service			
Principal	155,161	116,370	38,791
Interest - notes payable	<u>40,729</u>	<u>31,420</u>	<u>9,309</u>
Total Expenditures	<u>654,176</u>	<u>438,277</u>	<u>215,899</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>423,152</u>	<u>340,713</u>	<u>(82,439)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	<u>(458,144)</u>	<u>(458,144)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (34,992)</u>	(117,431)	<u>\$ (82,439)</u>
FUND BALANCE, JANUARY 1		<u>210,543</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 93,112</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, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Property taxes - increment	\$ 554,490	\$ 554,490	\$ 289,321	\$ (265,169)
Investment income	2,000	2,000	1,129	(871)
Miscellaneous	-	-	6,000	6,000
Total Revenues	<u>556,490</u>	<u>556,490</u>	<u>296,450</u>	<u>(260,040)</u>
<b>EXPENDITURES</b>				
Economic Development				
TIF expenditures	242,500	345,500	87,039	258,461
TIF management services - BDC	<u>240,208</u>	<u>240,208</u>	<u>230,833</u>	<u>9,375</u>
Total Expenditures	<u>482,708</u>	<u>585,708</u>	<u>317,872</u>	<u>267,836</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>73,782</u>	<u>(29,218)</u>	<u>(21,422)</u>	<u>7,796</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	<u>(272,084)</u>	<u>(272,084)</u>	<u>(272,084)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(272,084)</u>	<u>(272,084)</u>	<u>(272,084)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (198,302)</u>	<u>\$ (301,302)</u>	<u>(293,506)</u>	<u>\$ 7,796</u>
FUND BALANCE, JANUARY 1			<u>832,433</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 538,927</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, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Property taxes - increment	\$ 1,095,483	\$ 1,095,483	\$ 848,725	\$ (246,758)
Property rental	-	-	44,000	44,000
Investment income	<u>2,000</u>	<u>2,000</u>	<u>945</u>	<u>(1,055)</u>
Total Revenues	<u>1,097,483</u>	<u>1,097,483</u>	<u>893,670</u>	<u>(203,813)</u>
<b>EXPENDITURES</b>				
Economic Development				
TIF expenditures	222,441	244,441	151,270	93,171
TIF management services - BDC	254,336	254,336	226,211	28,125
Debt Service				
Principal	241,486	241,486	281,861	(40,375)
Interest - notes payable	<u>45,614</u>	<u>45,614</u>	<u>45,239</u>	<u>375</u>
Total Expenditures	<u>763,877</u>	<u>785,877</u>	<u>704,581</u>	<u>81,296</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>333,606</u>	<u>311,606</u>	<u>189,089</u>	<u>(122,517)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	<u>(415,000)</u>	<u>(415,000)</u>	<u>(415,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(415,000)</u>	<u>(415,000)</u>	<u>(415,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (81,394)</u>	<u>\$ (103,394)</u>	<u>(225,911)</u>	<u>\$ (122,517)</u>
FUND BALANCE, JANUARY 1			<u>2,935,758</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u><b>\$ 2,709,847</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, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Property taxes - increment	\$ 314,000	\$ 494,000	\$ 575,895	\$ 81,895
Miscellaneous	-	-	28,127	28,127
Investment income	1,000	1,000	510	(490)
<b>Total Revenues</b>	<u>315,000</u>	<u>495,000</u>	<u>604,532</u>	<u>109,532</u>
<b>EXPENDITURES</b>				
Economic Development				
TIF expenditures	17,500	197,500	84,529	112,971
TIF management services - BDC	347,500	347,500	338,125	9,375
<b>Total Expenditures</b>	<u>365,000</u>	<u>545,000</u>	<u>422,654</u>	<u>122,346</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(50,000)</u>	<u>(50,000)</u>	<u>181,878</u>	<u>231,878</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (50,000)</u>	<u>\$ (50,000)</u>	<u>181,878</u>	<u>\$ 231,878</u>
FUND BALANCE, JANUARY 1			<u>63,535</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u><u>\$ 245,413</u></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, 2014

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	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Other taxes	\$ 63,779	\$ 41,350	\$ (22,429)
Investment income	<u>-</u>	<u>14</u>	<u>(14)</u>
Total Revenues	<u>63,779</u>	<u>41,364</u>	<u>(22,443)</u>
<b>EXPENDITURES</b>			
Public Safety			
Supplies	3,000	3,620	(620)
Tools and equipment	4,000	51,080	(47,080)
Repairs and maintenance	20,000	2,727	17,273
Other general	3,779	165	3,614
Training, dues, and publications	3,000	2,599	401
Capital Outlay	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Total Expenditures	<u>63,779</u>	<u>60,191</u>	<u>3,588</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(18,827)</u>	<u>(18,827)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(18,827)</u>	<u>\$ (18,827)</u>
FUND BALANCE, JANUARY 1		<u>60,906</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 42,079</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, 2014

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental revenues	\$ 2,221,430	\$ 665,374	\$ (1,556,056)
Investment income	-	155	155
Miscellaneous	-	40,384	40,384
<b>Total Revenues</b>	<u>2,221,430</u>	<u>705,913</u>	<u>(1,515,517)</u>
<b>EXPENDITURES</b>			
Economic Development			
Salaries and benefits	377,241	343,818	33,423
Internal service fund charges	40,543	25,297	15,246
Utilities	2,500	3,240	(740)
Copier maintenance	3,700	2,968	732
Telephone	5,400	1,475	3,925
Supplies	4,500	2,900	1,600
Postage and printing	7,000	3,276	3,724
Professional services	194,600	110,630	83,970
Training, dues and publications	3,000	3,500	(500)
Repairs and maintenance	6,780	4,724	2,056
Vehicle gas and oil	3,500	946	2,554
Other general	29,750	424	29,326
Bad debt	-	94,096	(94,096)
Program	1,046,658	169,908	876,750
Public works			
Capital outlay	639,265	-	639,265
Repairs and maintenance	250,000	113,192	136,808
<b>Total Expenditures</b>	<u>2,614,437</u>	<u>880,394</u>	<u>1,734,043</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(393,007)</u>	<u>(174,481)</u>	<u>218,526</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	393,007	553,007	160,000
<b>Total Other Financing Sources (Uses)</b>	<u>393,007</u>	<u>553,007</u>	<u>160,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>378,526</u>	<u>\$ 378,526</u>
FUND BALANCE (DEFICIT), JANUARY 1		<u>(666,134)</u>	
<b>FUND BALANCE (DEFICIT), DECEMBER 31</b>		<u>\$ (287,608)</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, 2014

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Investment income	\$ 2,500	\$ 3,439	\$ 939
Intergovernmental	-	50,000	50,000
Total Revenues	<u>2,500</u>	<u>53,439</u>	<u>50,939</u>
<b>EXPENDITURES</b>			
Capital outlay			
IT telephone infrastructure	110,000	118,732	(8,732)
Public works building purchase	40,000	6,241	33,759
2012 bond - public works projects	<u>1,850,000</u>	<u>510,223</u>	<u>1,339,777</u>
Total Expenditures	<u>2,000,000</u>	<u>635,196</u>	<u>1,364,804</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,997,500)</u>	<u>(581,757)</u>	<u>1,415,743</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,997,500)</u>	<u>(581,757)</u>	<u>\$ 1,415,743</u>
FUND BALANCE, JANUARY 1		<u>2,120,251</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 1,538,494</u>	

CITY OF BERWYN, ILLINOIS

COMBINING STATEMENT OF NET POSITION  
PENSION TRUST FUNDS  
December 31, 2014

	Police Pension	Firefighters' Pension	Total
<b>ASSETS</b>			
Cash and investments			
Cash and cash equivalents	\$ 43,321	\$ 52,645	\$ 95,966
Investments			
U.S. Government and agency securities	9,714,443	5,412,500	15,126,943
Corporate bonds	10,661,132	5,787,729	16,448,861
Money market mutual funds	2,238,678	1,544,760	3,783,438
Equities	9,485,896	8,774,336	18,260,232
Equity mutual fund	28,972,544	15,380,663	44,353,207
Certificates of deposit	-	246,727	246,727
State and local obligations	794,878	398,083	1,192,961
Insurance contracts	13,079	111,456	124,535
Total Cash and Investments	<u>61,923,971</u>	<u>37,708,899</u>	<u>99,632,870</u>
Receivables			
Accrued interest	162,802	84,128	246,930
Other receivables	19,169	-	19,169
Due from governmental funds	15,883	16,706	32,589
Total Receivables	<u>197,854</u>	<u>100,834</u>	<u>298,688</u>
Prepays			
	-	775	775
Total Assets	<u>62,121,825</u>	<u>37,810,508</u>	<u>99,932,333</u>
<b>LIABILITIES</b>			
Accounts payable	24,820	17,591	42,411
Total Liabilities	<u>24,820</u>	<u>17,591</u>	<u>42,411</u>
<b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS</b>			
	<u>\$ 62,097,005</u>	<u>\$ 37,792,917</u>	<u>\$ 99,889,922</u>

CITY OF BERWYN, ILLINOIS

COMBINING STATEMENT OF CHANGES IN NET POSITION  
PENSION TRUST FUNDS

For the Year Ended December 31, 2014

	Police Pension	Firefighters' Pension	Total
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 1,936,262	\$ 2,036,569	\$ 3,972,831
Participants	<u>1,227,194</u>	<u>639,271</u>	<u>1,866,465</u>
Total Contributions	<u>3,163,456</u>	<u>2,675,840</u>	<u>5,839,296</u>
Investment Income			
Net appreciation (depreciation) in fair value of investments	(442,543)	787,029	344,486
Interest earned	2,359,874	1,114,728	3,474,602
Less investment expenses	<u>(128,424)</u>	<u>(103,090)</u>	<u>(231,514)</u>
Total Investment Income	<u>1,788,907</u>	<u>1,798,667</u>	<u>3,587,574</u>
Total Additions	<u>4,952,363</u>	<u>4,474,507</u>	<u>9,426,870</u>
<b>DEDUCTIONS</b>			
Administrative	74,328	64,139	138,467
Pension benefits and refunds	<u>4,304,379</u>	<u>4,129,645</u>	<u>8,434,024</u>
Total Deductions	<u>4,378,707</u>	<u>4,193,784</u>	<u>8,572,491</u>
NET INCREASE	573,656	280,723	854,379
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - JANUARY 1	<u>61,523,349</u>	<u>37,512,194</u>	<u>99,035,543</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - DECEMBER 31</b>	<u>\$ 62,097,005</u>	<u>\$ 37,792,917</u>	<u>\$ 99,889,922</u>



**FIDUCIARY FUNDS**

## 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 how 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>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>Governmental Activities</u>										
Net investment in capital assets	\$ (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)	\$ (35,980,196)
Restricted	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	7,852,106
Unrestricted	<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>	<u>(17,621,277)</u>
Total Governmental Activities	<u>\$ (37,907,981)</u>	<u>\$ (35,180,508)</u>	<u>\$ (866,059)</u>	<u>\$ 723,401</u>	<u>\$ (19,265,644)</u>	<u>\$ (19,829,851)</u>	<u>\$ (29,896,433)</u>	<u>\$ (35,871,730)</u>	<u>\$ (45,540,007)</u>	<u>\$ (45,749,367)</u>
<u>Business-Type Activities</u>										
Net investment in capital assets	\$ 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	\$ 27,665,507
Restricted	-	-	-	-	-	812,614	698,324	-	-	-
Unrestricted	<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>	<u>5,153,287</u>
Total Business-Type Activities	<u>\$ 54,238,937</u>	<u>\$ 51,123,403</u>	<u>\$ 46,818,486</u>	<u>\$ 42,935,195</u>	<u>\$ 51,865,122</u>	<u>\$ 47,690,203</u>	<u>\$ 42,673,960</u>	<u>\$ 39,066,838</u>	<u>\$ 36,801,443</u>	<u>\$ 32,818,794</u>
<u>Primary Government</u>										
Net investment in capital assets	\$ 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)	\$ (8,314,689)
Restricted	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	7,852,106
Unrestricted	<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>	<u>(12,467,990)</u>
Total Primary Government	<u>\$ 16,330,956</u>	<u>\$ 15,942,895</u>	<u>\$ 45,952,427</u>	<u>\$ 43,658,596</u>	<u>\$ 32,599,478</u>	<u>\$ 27,860,352</u>	<u>\$ 12,777,527</u>	<u>\$ 3,195,108</u>	<u>\$ (8,738,564)</u>	<u>\$ (12,930,573)</u>

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Expenses</b>										
<b>Governmental Activities</b>										
General government	\$ 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	\$ 3,330,828
Public safety	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	38,409,364
Public works	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	9,692,933
Economic development	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	4,826,143
Culture and recreation	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	4,979,472
Health and sanitation	3,639,509	2,532,495	3,793,645	3,979,436	4,004,624	4,265,730	4,086,307	-	-	-
Interest	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	6,347,001
Total Governmental Activities Expenses	<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>67,585,741</u>
<b>Business-Type Activities</b>										
Utilities	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	18,895,002
Parking garage	-	-	-	-	104,318	263,619	275,896	273,185	260,988	264,787
Total Business-Type Activities Expenses	<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>	<u>19,159,789</u>
Total Primary Government Expenses	<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>	<u>\$ 86,745,530</u>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Charges for Services										
General government	\$ 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	\$ 2,526,944
Public safety	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	6,142,547
Public works	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	2,358,620
Culture and recreation	394,658	400,349	510,459	785,325	487,998	520,709	562,091	599,597	635,075	498,633
Health and sanitation	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	85,412
Economic development	38,326	26,765	-	-	-	-	-	-	-	44,000
Operating Grants and Contributions	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	3,808,251
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	2,104,052
Total Governmental Activities Program Revenues	<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>17,568,459</u>
<b>Business-Type Activities</b>										
Charges for Services										
Utilities	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	13,786,437
Parking garage	-	-	-	-	-	119,871	135,019	149,306	212,255	283,996
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	1,100,000
Total Business-Type Activities Program Revenues	<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>	<u>15,170,433</u>
Total Primary Government Program Revenues	<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>	<u>\$ 32,738,892</u>
<b>Net (Expense) Revenue</b>										
Governmental Activities	\$ (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)	\$ (50,017,282)
Business-Type Activities	<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>	<u>(3,989,356)</u>
Total Primary Government Net (Expense) Revenue	<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>	<u>\$ (54,006,638)</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>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>General Revenues and Other Changes in Net Position</b>										
<u>Governmental Activities</u>										
Taxes										
Property	\$ 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	\$ 30,596,416
Sales	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	2,976,666
Home Rule Sales	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	2,180,628
Utility	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	3,700,906
Real Estate Transfer	3,250,800	2,915,139	1,565,735	989,133	1,028,125	913,411	915,913	1,047,766	1,379,577	1,788,150
Other	776,270	757,008	1,066,871	1,064,663	967,893	877,660	835,216	1,032,829	1,275,332	1,345,423
Income taxes	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	6,472,416
Investment Earnings	170,347	442,830	1,019,673	863,193	330,184	216,629	88,309	64,149	61,432	70,120
Gain on sale of capital assets	-	-	-	-	-	-	222,500	69,195	4,953	1,261
Miscellaneous	133,582	182,793	63,518	227,446	198,975	56,177	75,321	182,917	579,565	675,936
Transfers	(87,333)	-	-	-	(12,879,994)	(137,342)	(227,166)	(400,866)	(97,572)	-
Total Governmental Activities	<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>49,807,922</u>
<u>Business-Type Activities</u>										
Investment Earnings	-	-	57,429	50,089	23,949	8,454	10,312	5,867	7,257	6,707
Miscellaneous	-	-	-	-	4,000	(7,912)	-	-	-	-
Transfers	87,333	-	-	-	12,879,994	137,342	227,166	400,866	97,572	-
Total Business-Type Activities	<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>	<u>6,707</u>
Total Primary Government	<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>	<u>\$ 49,814,629</u>
Change in Net Position										
Governmental Activities	\$ 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)	\$ (209,360)
Business-Type Activities	(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)	(3,982,649)
Total Primary Government Change in Net Position	<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>	<u>\$ (4,192,009)</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>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>General Fund</b>										
Reserved	\$ 5,237,810	\$ 684,885	\$ 642,046	\$ 582,439	\$ 610,349	\$ 384,632	\$ -	\$ -	\$ -	\$ -
Unreserved	1,268,110	3,404,867	69,626	(434,196)	(234,524)	1,596,284	-	-	-	-
Nonspendable	-	-	-	-	-	-	409,721	846,629	890,155	920,863
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	372	749	27,741	28,632
Unassigned	-	-	-	-	-	-	4,086,449	5,951,993	9,143,348	13,366,935
<b>Total General Fund</b>	<b>\$ 6,505,920</b>	<b>\$ 4,089,752</b>	<b>\$ 711,672</b>	<b>\$ 148,243</b>	<b>\$ 375,825</b>	<b>\$ 1,980,916</b>	<b>\$ 4,496,542</b>	<b>\$ 6,799,371</b>	<b>\$ 10,061,244</b>	<b>\$ 14,316,430</b>
<b>All Other Governmental Funds</b>										
Reserved	\$ 14,587,806	\$ 17,101,126	\$ 17,062,795	\$ 19,643,461	\$ 15,724,685	\$ 22,265,090	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in										
Special Revenue Funds	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	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	7,966,584
Committed	-	-	-	-	-	-	1,732,894	2,184,339	2,138,978	1,557,221
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(420,533)	(365,851)	(666,134)	(287,608)
<b>Total All Other Governmental Funds</b>	<b>\$ 14,165,209</b>	<b>\$ 14,429,817</b>	<b>\$ 37,463,080</b>	<b>\$ 36,629,353</b>	<b>\$ 21,171,982</b>	<b>\$ 25,936,919</b>	<b>\$ 18,859,214</b>	<b>\$ 16,119,920</b>	<b>\$ 11,722,867</b>	<b>\$ 9,236,197</b>

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Revenues</b>										
Property taxes	\$ 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	\$ 30,596,416
Other taxes	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	18,548,751
Licenses and permits	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	3,755,478
Intergovernmental	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	3,893,088
Fines and forfeitures	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	5,238,180
Charges for services	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	2,077,548
Contributions	-	-	-	-	-	900,000	-	-	-	-
Investment income	170,346	442,376	1,001,246	870,564	329,883	216,629	88,284	64,149	61,432	70,122
Miscellaneous	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	2,045,778
<b>Total Revenues</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>66,225,361</b>
<b>Expenditures</b>										
General government	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	3,581,579
Public safety	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	36,389,011
Highways and streets	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	8,290,373
Health & welfare	3,639,509	2,516,150	3,793,645	3,979,436	4,004,624	4,265,730	4,086,307	-	-	-
Culture and recreation	3,527,966	3,620,208	4,089,133	4,060,655	4,095,092	4,370,606	5,020,555	4,788,958	4,769,354	4,922,054
Economic development	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	2,917,308
Capital outlay	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	2,497,137
Debt service										
Principal	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	4,118,231
Interest	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	6,390,279
Other charges	69,800	53,835	767,099	379,643	381,331	291,127	170,760	227,726	406,107	91,210
<b>Total Expenditures</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>	<b>69,197,182</b>
Excess (deficiency) of revenues over (under) expenditures	(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)	(2,971,821)
<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	2,278,235
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)	(2,278,235)
Debt issued	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	4,390,000
Premium (discount) on bonds issued	-	-	1,146,682	(64,086)	117,032	258,302	(53,184)	(368,178)	170,408	349,073
Transfer to bond escrow agent	-	-	(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	1,261
<b>Total Other Financing Sources (Uses)</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>4,740,334</b>
<b>Net Change in Fund Balances</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>	<b>\$ 1,768,513</b>
Debt Service as a Percentage of Noncapital Expenditures	31.00%	28.22%	27.13%	8.17%	9.11%	14.89%	11.17%	15.00%	9.45%	15.75%

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.

Note 2: In 2013, the city issued \$30 million in bonds to fund fire and police pensions, which caused large increase in public safety expenditures.

[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>
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
2014	30,596,416	6,472,416	2,976,666	2,180,628	227,550	3,700,906	173,090	1,788,150	286,111	1,679,392	743,234

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

From 2010 through 2014, 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
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%
2013	600,937,260	128,184,812	38,721,765	120,423,467	647,420,370	4.47	1,942,261,110	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 2014 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>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>City Direct Rates</b>										
General	0.47	0.41	0.31	0.84	0.94	1.29	1.34	2.18	2.33	2.65
Bond & Interest	1.64	1.14	1.15	0.81	0.55	0.54	0.53	0.26	0.30	0.71
City of Berwyn Library	0.21	0.17	0.18	0.31	0.28	0.28	0.32	0.40	0.45	0.48
Police Pension	0.29	0.24	0.28	0.24	0.22	0.22	0.21	0.26	0.36	0.31
Fire Pension	0.29	0.26	0.30	0.25	0.23	0.23	0.23	0.28	0.38	0.32
Total Direct Rate	2.90	2.22	2.22	2.45	2.22	2.56	2.63	3.38	3.82	4.47
<b>Overlapping Rates</b>										
Cook County	0.65	0.59	0.56	0.50	0.47	0.44	0.47	0.47	0.53	0.56
Metropolitan Water Rec.	0.35	0.32	0.28	0.26	0.25	0.26	0.27	0.32	0.37	0.42
School District #100	2.97	2.55	2.62	2.57	2.44	2.49	2.50	3.20	3.65	3.92
High School District #201	2.30	1.93	2.00	1.96	1.84	1.85	1.86	2.45	2.73	2.95
Berwyn Park District	0.32	0.27	0.32	0.32	0.30	0.31	0.31	0.32	0.37	0.40
Community College #527	0.47	0.40	0.42	0.41	0.39	0.39	0.39	0.50	0.56	0.61
Other	0.19	0.18	0.17	0.18	0.16	0.19	0.17	0.30	0.31	0.37

Data Source

Office of the County Clerk

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

<u>Taxpayer</u>	2014			2005		
	<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	\$ 20,924,995	1	3.23%	\$ 29,700,562	1	4.60%
Concordia Realty	7,872,423	2	1.22%	-	N/A	0.00%
Meijer	6,109,903	3	0.94%	-	N/A	0.00%
Shurgard	3,075,380	4	0.48%	1,392,960	10	0.22%
Byline Bank	2,262,710	5	0.35%	2,139,147	7	0.33%
Fairfax	2,051,212	6	0.32%	2,560,236	5	0.40%
McDonald's Co.	2,028,262	7	0.31%	2,324,288	6	0.36%
BNSF Railroad	1,765,715	8	0.27%	-	N/A	0.00%
Turanno Baking Company	1,389,041	9	0.21%	1,722,870	8	0.27%
BMO Harris Bank NA	1,384,907	10	0.21%	2,789,356	4	0.43%
SKS	-	N/A	0.00%	3,062,606	3	0.47%
Cermak Plaza Associates	-	N/A	0.00%	10,798,465	2	1.67%
MidAmerica	-	N/A	0.00%	1,651,622	9	0.26%
<b>TOTAL</b>	<b>\$ 48,864,548</b>		<b>7.55%</b>	<b>\$ 58,142,111</b>		<b>9.00%</b>

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.

N/A - not applicable

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
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%	201,115	24,843,267	97.68%
2012	26,236,151	25,210,666	96.09%	587,391	25,798,057	98.33%
2013	28,903,844	27,516,856	95.20%	-	27,516,856	95.20%

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 Personal Income*	Per Capita*
	General Obligation Bonds **	Installment & Mortgage Notes Payable ***	Capital Leases	General Obligation Bonds	Installment Notes Payable	Capital Leases			
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	11.62%	2,453
2014	133,162,889	2,698,621	355,082	4,991,102	-	-	141,207,694	11.81%	2,492

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 to financial statements 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
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	135,423,109	641,874	134,781,235	6.94%	2,378.90
2014	138,153,991	669,905	137,484,086	N/A	2,426.60

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.

N/A - not available

CITY OF BERWYN, ILLINOIS  
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
 December 31, 2014

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<u>Governmental unit</u>	<u>Gross Debt</u>	<u>Percentage Debt Applicable to the City (1)</u>	<u>City Share of Debt</u>
City of Berwyn	\$ 136,216,592	100.00%	\$ 136,216,592
Cook County	3,572,060,000	0.51%	18,217,506
Cook County Forest Preserve District	124,455,000	0.51%	634,721
Metropolitan Water Reclamation District	2,458,515,565	0.52%	12,784,281
Berwyn Park District	1,795,000	100.00%	1,795,000
North Berwyn Park District	799,050	100.00%	799,050
Schools			
Elementary District No. 100	33,960,000	100.00%	33,960,000
High School District No. 201	37,927,129	42.60%	16,156,957
Community College District No. 527	<u>4,745,000</u>	42.60%	<u>2,021,370</u>
	<u>6,234,256,744</u>		<u>86,368,885</u>
	<u>\$ 6,370,473,336</u>		<u>\$ 222,585,477</u>

(1) Determined by ratio of assessed valuation of property subject to taxation in the City 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, 2014

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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>
2014	56,657	\$ 1,195,519,357	\$ 21,101	6.4%
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%

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

2014			2005		
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	500	3.75%	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%
Byline 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, 2014 Illinois Service Directory and 2014 Illinois Manufacturer Directory  
 2004 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>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Government										
Administration	9	16	16	17	16	15	15	15	13	16
Finance	17	19	19	12	12	12	16	15	15	15
Community Development	17	16	16	16	16	18	17	16	17	18
Public Safety										
Police										
Officers	92	98	101	101	104	106	107	110	107	109
Civilians	44	53	56	25	56	34	38	34	39	41
Fire										
Firefighters and officers	66	66	66	66	68	66	78	80	80	80
Civilians	2	2	2	2	1	1	1	1	1	1
Public Works	55	48	48	48	44	38	36	34	39	38
Culture & Recreation	52	58	59	59	58	44	41	41	41	41

Data Source

City payroll office

CITY OF BERWYN, ILLINOIS  
OPERATING INDICATORS  
Last Ten Fiscal Years

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<u>Function/Program</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Public Safety										
Police										
Physical arrests	2,276	2,795	2,002	2,054	2,815	3,971	2,237	2,189	1,995	1,493
Parking violations	78,231	65,277	66,442	67,941	67,941	41,641	44,569	61,046	64,778	62,980
Traffic tickets issued	2,118	9,043	1,101	1,193	11,020	20,762	19,057	16,084	14,129	12,343
Fire										
Emergency responses	8,956	8,566	9,539	9,308	8,413	6,557	6,624	6,642	7,076	7,179
Fires extinguished	211	190	333	114	139	199	146	174	151	131
Public Works										
Streeting resurfacing (miles)	0.4	1.3	-	-	2.0	-	-	-	1.1	0.5
Pothole repairs	1,329	1,465	1,515	1,576	1,692	2,769	3,500	4,100	4,500	4,200
Water										
New connections	-	3	2	3	1	14	13	9	17	21
Water main breaks	154	251	322	317	233	168	142	129	107	96
Average daily consumption	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	5.17 MGD
Peak daily consumption	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	6.31 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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Public Safety</b>										
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	N/A	37	52	47	58	78	74	81	81	90
<b>Fire</b>										
Fire stations	3	3	3	2	3	3	3	3	3	3
Fire engines and trucks	4	4	4	4	4	4	4	5	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

N/A - not available

Data Source

Various city departments