

City of Berwyn, Illinois



A Century of Progress with Pride

Comprehensive Annual Financial Report

For the Year Ended December 31, 2015

**CITY OF BERWYN, ILLINOIS
COMPREHENSIVE ANNUAL
FINANCIAL REPORT**
For the Fiscal Year Ended December 31, 2015



Prepared by: Finance Department

CITY OF BERWYN, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT
December 31, 2015

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INTRODUCTORY SECTION





A Century of Progress with Pride

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

June 27, 2016

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, 2016) 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, 2015.

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.

GW & Associates, P.C. has issued an unmodified (“clean”) opinion on the City of Berwyn’s financial statements for the year ended December 31, 2015. The independent auditor’s report is located at the front of the financial section of this report.

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

Profile of the City

The City of Berwyn was incorporated as a City on June 6, 1908 with approximately 5,000 residents. Berwyn is now home to approximately 56,657 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 Aldermen 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, 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, 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.

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 requested 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 \$1.84 million in 2015. However, the increase in real estate transfer tax revenue from 2014 to 2015 was 3%, from 2013 to 2014 was 30% and from 2012 to 2013 was 32%. These continued 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 has continued in 2015. For example, sales tax revenues increased significantly and were 28% or \$1.4 million higher than in 2014. Additionally, local income tax revenue increased by 14% in 2015 and was nearly \$887,000 over budget.

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. This trend continued in 2015 as the Video gaming tax revenue was \$385,104, a 52% increase from 2014.

Long-term Financial Planning

The City has continued to focus on its long term goal of reducing 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.

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 stable” rating from Standard & Poor’s. This stable rating increases the marketability of the City’s bonds and enables the City to obtain more favorable interest rates. 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 2015 for the eighth 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. The City has succeeded in improving its financial position as the general fund balance increased by \$5.2 million in 2015. Since 2008, the fund balance in the general fund has increased by \$19.4 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 utilities 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 has built upon the progress achieved in prior years by increasing the unassigned fund balance by \$5.5 million to finish the year at \$18.8 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, had a deficit net position balance at 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, 2015, the net position in the ISF was \$1.6 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 2015, actual charges to other funds and departments were \$1.2 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 2015, 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 \$19.5 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 to 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 continuously improving the City's finances, the administration has made economic development ventures as a top priority. Through the guidance of the Berwyn Development Corporation, the City manages three mature TIF districts and one relatively newer one, along with a local small business loan fund.

A notable project completed in 2015 was the grand opening of Starbucks within the second phase of development at Berwyn Gateway Plaza. The second phase of redevelopment at Berwyn Gateway Plaza is a complete renovation of the commercial block on the north side of Cermak Road. The completion of this phase of redevelopment will create an additional 18,017 square feet of new retail property within the City of Berwyn, adding new tax revenue and creating jobs at this increasingly popular intersection of town. The City's largest commercial property, Cermak Plaza, continued with its renovations and created new retail space in 2015 with the development and opening of Ross Dress for Less. In total, the City hosted 14 grand openings in 2015, including a large local grocer of Torres Fresh Market.

Expected activity in 2016 includes the acquisition and redevelopment on the commercial block on Cermak Road between Wisconsin Avenue and Wenonah Avenue in order to continue the success of Berwyn Gateway Plaza. The development will create over 9,600 square feet of new retail space. Additionally, 10,000 square feet of new retail sales tax businesses are under construction and will open in 2016.

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, 2014. 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 2015 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,



Rasheed Jones
Finance Director



Brian Pabst
City Administrator



Government Finance Officers Association

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

Presented to

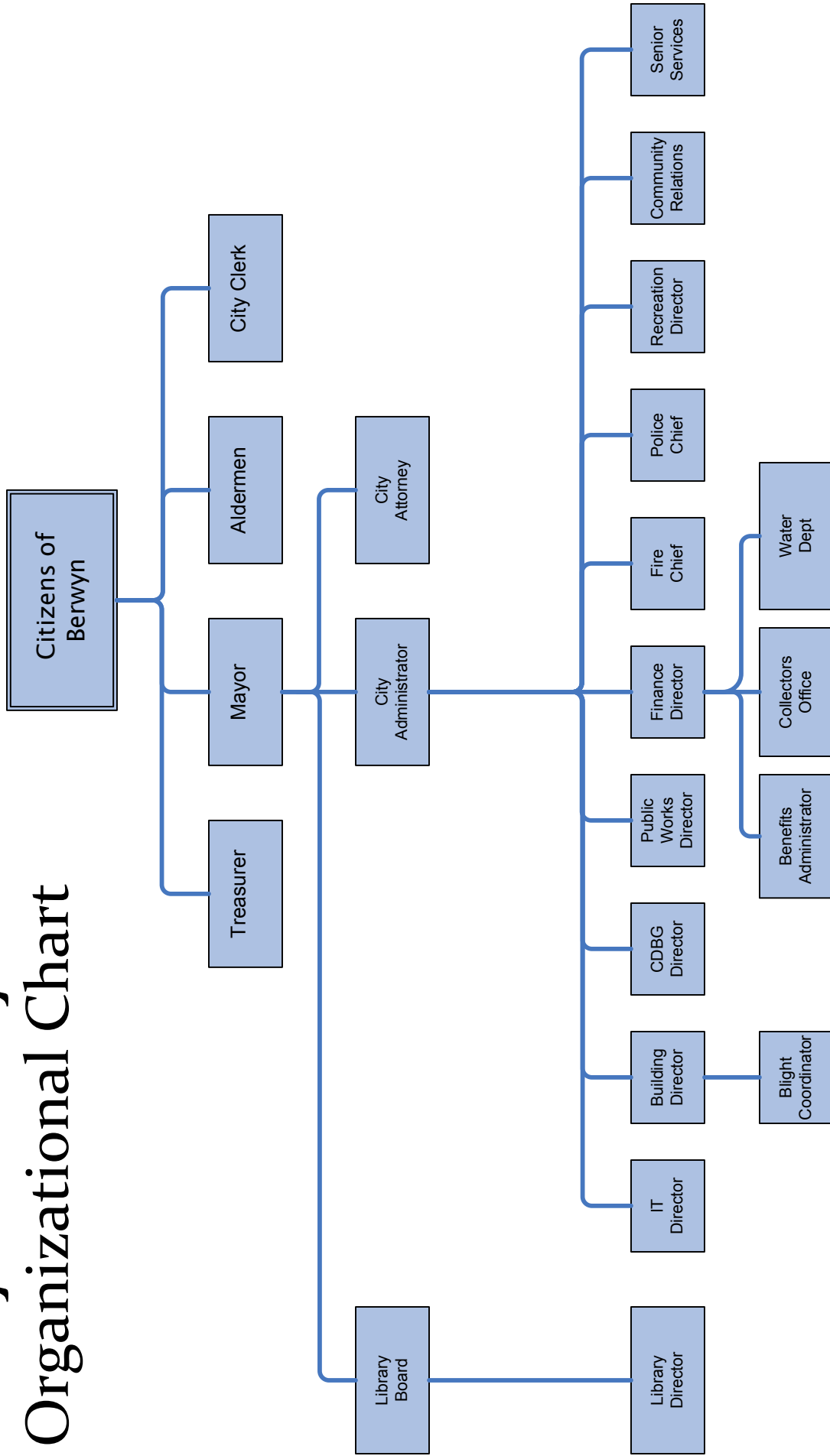
**City of Berwyn
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

City of Berwyn Organizational Chart



**City of Berwyn
List of Elected and Appointed Officials
December 31, 2015**

Elected Officials

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

Appointed Officials

Anthony Bertuca	City Attorney
Keisha Garnett	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



GW & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

2617 Chicago Road
South Chicago Heights, IL 60411

Phone (708) 755-8182
Fax (708) 755-8326

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Berwyn, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Berwyn, Illinois ("the City"), as of and for the year ended December 31, 2015, and the related notes to the 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 which represents 100 percent of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of December 31, 2015, 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.

Emphasis of Matter

As described in Note 3K to the financial statements, the City implemented Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions- an Amendment of GASB Statement No. 27*, in 2015. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of changes in city net pension liability and related ratios, and schedules of city/employer contributions on pages 11–26 and 102–114 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. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2016, on our consideration of the City's internal control over financial reporting and on 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 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.

JW & Associates, P.C.

South Chicago Heights, Illinois

June 27, 2016



A Century of Progress with Pride

6700 West 26th 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, 2015.

Financial Highlights

In 2015, the City's governmental funds reported combined ending fund balances of \$26,413,355, an increase of \$2.9 million in comparison with the prior year. This builds upon the 2014 increase of \$1.8 million and continues the upward trend in the City's overall fund balance.

The General Fund, the main operating fund of the City, was the primary driver of a higher overall fund balance of the governmental funds. As of the close of the current fiscal year, the fund balance for the General Fund was \$19.5 million, an increase of \$5.2 million, or 36% 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.

The City implemented GASB statement No.68 in the current fiscal year. In addition to expanded disclosure requirements, GASB 68 requires the City to report its net pension liability on the statement of net position. As a result, the City's 2014 financial statements were restated to incorporate the additional pension liability recognition. Further details regarding the impact of implementing this new standard will be discussed later in this section as well as in the notes to the financial statements.

At year end, the City's total net position decreased by \$12 million compared to 2014's restated net position. This occurred primarily due to the implementation of GASB 68, which resulted in an additional pension expense being recorded by the City during this fiscal year. Another contributing factor was the governmental and business-type assets being depreciated based upon annual usage of these long-term assets, such as infrastructure.

The liabilities and deferred inflows of the City exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$136 million. The City has a deficit unrestricted net position of \$125 million at year end. As previously mentioned, the City's total net position was impacted by the recording of the net pension liability due to implementing GASB 68.

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 27 and 28 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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 seventeen 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 fifteen 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 29 and 31 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 33 - 35 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 36 -37 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 38 -101 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 102 - 114 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 115 -139 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 2015 Statement of Net Position versus 2014 for both governmental and business-type activities:

City of Berwyn Net Position

	Governmental activities		Business-Type activities		Total	
	2015	2014 (Restated)	2015	2014 (Restated)	2015	2014
Capital Assets	\$ 52,195,952	\$ 53,497,174	\$ 30,731,288	\$ 32,193,671	\$ 82,927,240	\$ 85,690,845
Other Assets	69,089,276	65,215,267	9,614,847	9,363,735	78,704,123	74,579,002
Total assets	121,285,228	118,712,441	40,346,135	41,557,406	161,631,363	160,269,847
Total deferred outflows of resources	19,908,436	1,019,661	305,158	124,705	20,213,594	1,144,366
Current liabilities	6,779,393	6,837,680	3,765,318	3,621,407	10,544,711	10,459,087
Long-term liabilities	268,293,790	240,451,882	7,624,036	5,281,599	275,917,826	245,733,481
Total liabilities	275,073,183	247,289,562	11,389,354	8,903,006	286,462,537	256,192,568
Total deferred inflows of resources	31,397,648	29,353,601	74,374	-	31,472,022	29,353,601
Net investment in capital assets	(39,825,361)	(35,980,196)	23,946,259	27,665,507	(15,879,102)	(8,314,689)
Restricted	4,834,710	7,852,106	-	-	4,834,710	7,852,106
Unrestricted	(130,286,516)	(128,782,971)	5,241,306	5,113,598	(125,045,210)	(123,669,373)
Total net position	<u>\$ (165,277,167)</u>	<u>\$ (156,911,061)</u>	<u>\$ 29,187,565</u>	<u>\$ 32,779,105</u>	<u>\$ (136,089,602)</u>	<u>\$ (124,131,956)</u>

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

Governmental activities

The City's governmental activities capital assets decreased in 2015 by approximately \$1.3 million, as a result of depreciation exceeding asset purchases during the year.

Current liabilities decreased \$60,000 from 2014. This was mainly due to the timing of accounts payable and payroll accruals at year-end.

As mentioned previously, the City implemented GASB 68 in 2015. As a result, long-term liabilities increased by \$28 million from 2014 and deferred outflows of resources increased by \$19 million. The net change of these two line items represents a \$9 million decrease, and relates to the pension expense incurred during the year. Additionally, the value of the pension contributions were impacted by unfavorable market conditions in 2015.

Business-Type activities

Capital assets decreased primarily as a result of depreciation exceeding asset additions during the year.

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 2015 bond issue being assigned to the Utility fund for infrastructure 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

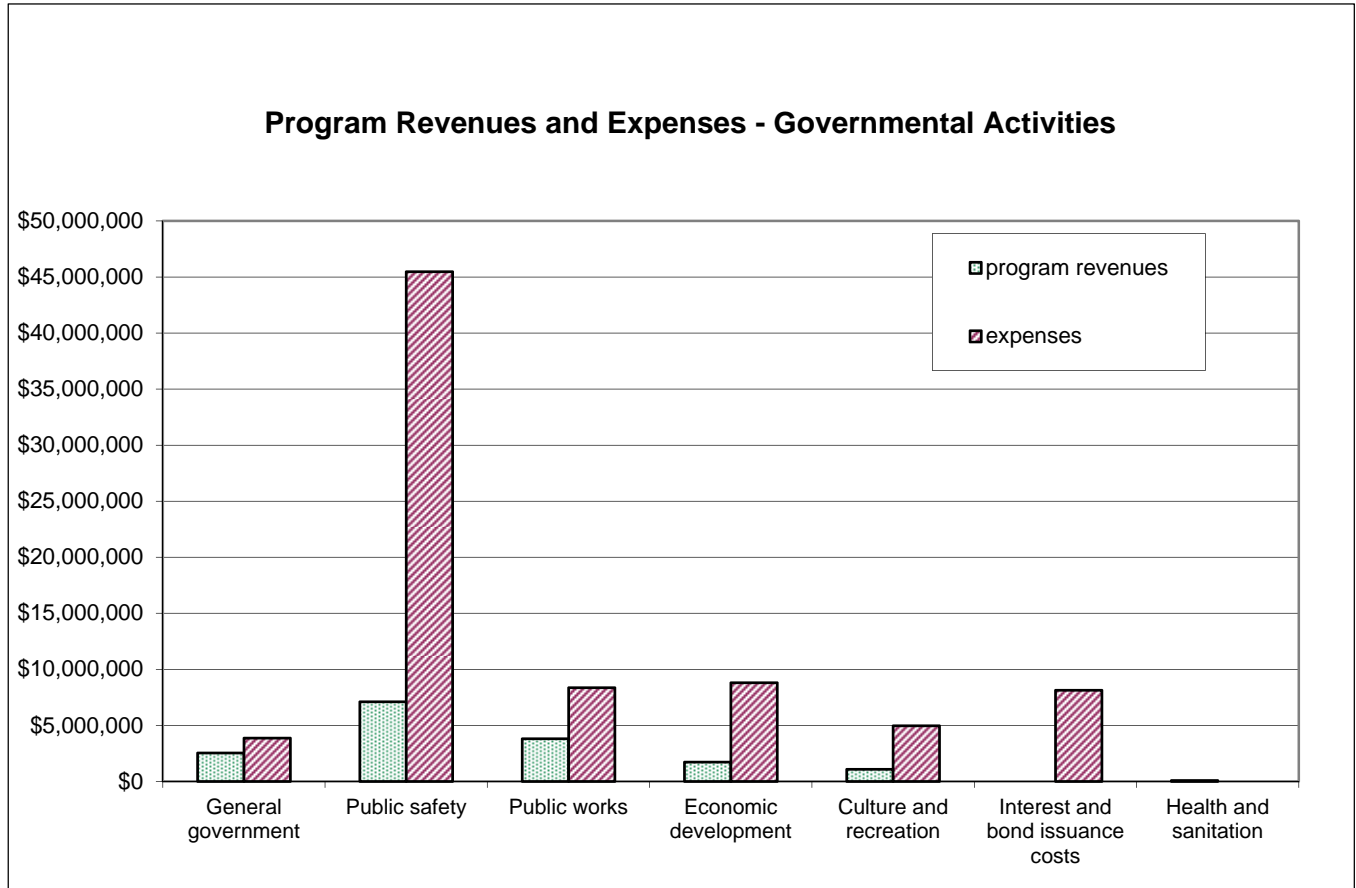
	Governmental activities		Business-Type activities		Total	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues:						
Program revenues:						
Charges for services	\$ 11,562,049	\$ 11,656,156	\$ 16,133,445	\$ 14,070,433	\$ 27,695,494	\$ 25,726,589
Operating grants & contributions	4,634,204	3,808,251	-	-	4,634,204	3,808,251
Capital grants & contributions	2,067,975	2,104,052	-	1,100,000	2,067,975	3,204,052
General revenues						
Property taxes	31,831,367	30,596,416	-	-	31,831,367	30,596,416
Other taxes	20,668,110	18,464,189	-	-	20,668,110	18,464,189
Other revenues	<u>511,344</u>	<u>747,317</u>	<u>76,312</u>	<u>6,707</u>	<u>587,656</u>	<u>754,024</u>
Total revenues	<u>71,275,049</u>	<u>67,376,381</u>	<u>16,209,757</u>	<u>15,177,140</u>	<u>87,484,806</u>	<u>82,553,521</u>
Expenses:						
General government	3,875,080	3,330,828	-	-	3,875,080	3,330,828
Public safety	45,477,225	38,409,364	-	-	45,477,225	38,409,364
Public works	8,365,920	9,692,933	-	-	8,365,920	9,692,933
Economic development	8,816,846	4,826,143	-	-	8,816,846	4,826,143
Culture and recreation	4,969,399	4,979,472	-	-	4,969,399	4,979,472
Interest on long-term debt	8,136,685	6,347,001	-	-	8,136,685	6,347,001
Utilities	-	-	19,533,100	18,895,002	19,533,100	18,895,002
Parking garage	-	-	268,197	264,787	268,197	264,787
Total expenses	<u>79,641,155</u>	<u>67,585,741</u>	<u>19,801,297</u>	<u>19,159,789</u>	<u>99,442,452</u>	<u>86,745,530</u>
Change in Net Position Before Transfers	<u>(8,366,106)</u>	<u>(209,360)</u>	<u>(3,591,540)</u>	<u>(3,982,649)</u>	<u>(11,957,646)</u>	<u>(4,192,009)</u>
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>(8,366,106)</u>	<u>(209,360)</u>	<u>(3,591,540)</u>	<u>(3,982,649)</u>	<u>(11,957,646)</u>	<u>(4,192,009)</u>
Net position Jan 1 (Restated)	<u>\$ (156,911,061)</u>	<u>(156,701,701)</u>	<u>32,779,105</u>	<u>36,761,754</u>	<u>(124,131,956)</u>	<u>(119,939,947)</u>
Net position Dec 31	<u>\$ (165,277,167)</u>	<u>\$ (156,911,061)</u>	<u>\$ 29,187,565</u>	<u>\$ 32,779,105</u>	<u>\$ (136,089,602)</u>	<u>\$ (124,131,956)</u>

Significant Changes in the Statement of Activities

Government activities

The City's governmental activities net position decreased approximately \$8.4 million compared to a \$200,000 decrease in the prior year. Specific line item increases and decreases are discussed further in the pages ahead.

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 2015:

	Governmental activities			
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Chg</u>
Revenues:				
Program revenues:				
Charges for services	\$ 11,562,049	\$ 11,656,156	\$ (94,107)	-1%
Operating grants & contributions	4,634,204	3,808,251	825,953	22%
Capital grants & contributions	2,067,975	2,104,052	(36,077)	-2%
General revenues				
Property taxes	31,831,367	30,596,416	1,234,951	4%
Other taxes	20,668,110	18,464,189	2,203,921	12%
Other revenues	511,344	747,317	(235,973)	-32%
Total revenues	<u>\$ 71,275,049</u>	<u>\$ 67,376,381</u>	<u>\$ 3,898,668</u>	<u>6%</u>

Significant changes:

The City's revenue from services decreased by \$94,000 compared to 2014. Charges for services are primarily made up of vehicle stickers, building and compliance permits, interdepartmental charges, court and violation fines, as well as paramedic service collections.

In 2015, operating grants and contributions increased by approximately \$826,000. Operating grants and contributions are primarily made up of a variety of grants received by the City to help fund operations. The majority of the increase in the City's operating grants was due to the increase in CDBG grant revenue of over \$800,000.

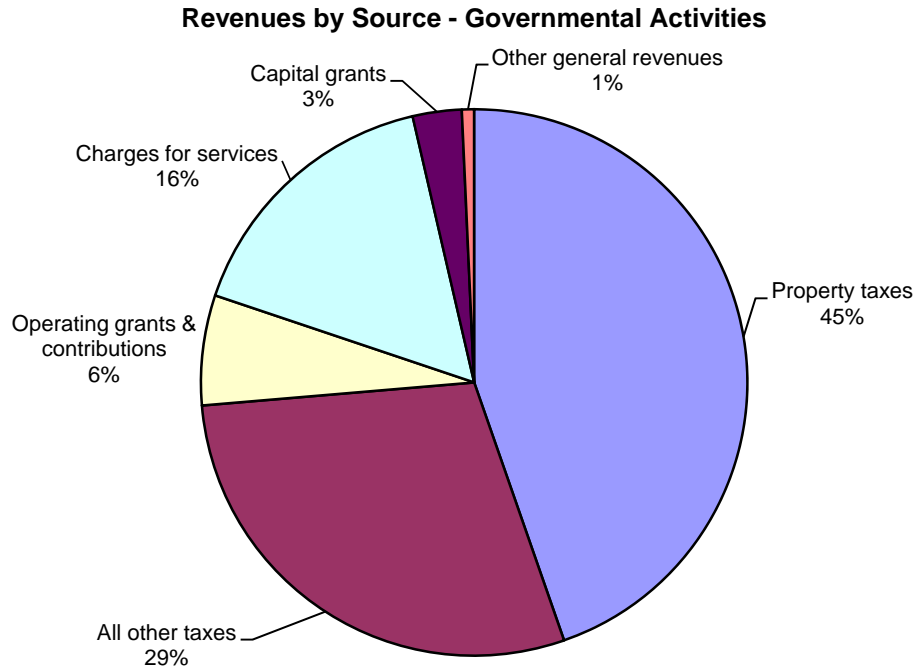
Capital grants and contributions decreased by approximately \$36,000 in 2015, and relates to the type of funding received during the year.

The City's property tax revenues increased in 2015 by just over \$1.2 million.

Other taxes increased by \$2.2 million in 2015. A large portion of this increase was due to significant increases in state income (\$914,000), state sales (\$840,000), and home rule sales taxes (\$553,000). Also, other revenues decreased by \$236,000 in 2015.

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 2014 when property taxes accounted for 46%, all other taxes were 27%, and charges for services were 17%.

Governmental activities - Expenses

The table below shows the change in expenses from 2015 versus 2014:

Changes in Governmental Activities Expenses

	Governmental activities		Change	% Chg
	<u>2015</u>	<u>2014</u>		
Expenses:				
General government	\$ 3,875,080	\$ 3,330,828	\$ 544,252	16%
Public safety	45,477,225	38,409,364	7,067,861	18%
Public works	8,365,920	9,692,933	(1,327,013)	-14%
Economic development	8,816,846	4,826,143	3,990,703	83%
Culture and recreation	4,969,399	4,979,472	(10,073)	0%
Interest on long-term debt	<u>8,136,685</u>	<u>6,347,001</u>	<u>1,789,684</u>	<u>28%</u>
Total expenses	<u>\$ 79,641,155</u>	<u>\$ 67,585,741</u>	<u>\$ 12,055,414</u>	<u>18%</u>

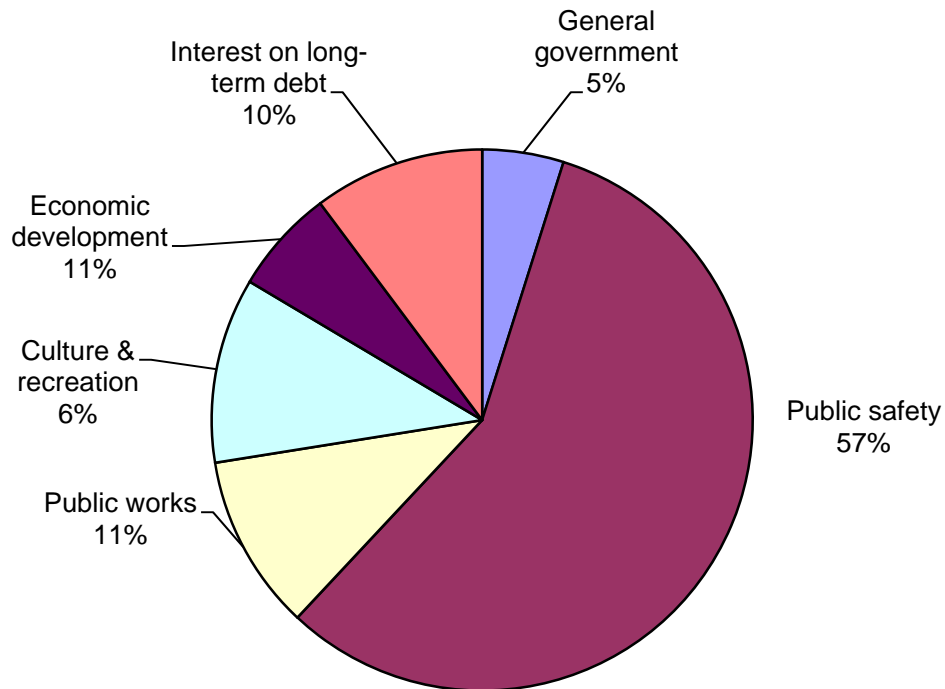
Significant changes:

Overall, expenses increased by 18% or \$12 million as a result of higher costs in general government, public safety, economic development, and interest on long-term debt. Most of the increase came as a result of higher pension expenses for public safety and general government due to the implementation of GASB 68. Also, additional expenses in the economic development function occurred as a result of a reduction of assets in the Ogden Avenue TIF fund which were used to further economic development within the City.

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 changed from 2014 when public works was 14%, economic development was 8%, culture and recreation was 7% and interest on long-term debt was 9%.

Governmental Activities - Expense Composition



Business-Type activities

	Business-Type activities			
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Chg</u>
Revenues:				
Charges for services	\$ 16,133,445	\$ 14,070,433	\$ 2,063,012	15%
Capital grants	-	1,100,000	(1,100,000)	
Other Income	76,312	6,707	69,605	
Total Revenues	<u>\$ 16,209,757</u>	<u>\$ 15,177,140</u>	<u>\$ 1,032,617</u>	<u>7%</u>
Expenses:				
Utilities	\$ 19,533,100	\$ 18,895,002	\$ 638,098	3%
Parking garage	268,197	264,787	3,410	1%
Total Expenses	<u>\$ 19,801,297</u>	<u>\$ 19,159,789</u>	<u>\$ 641,508</u>	<u>3%</u>

Significant changes:

Business-Type activities represent the City's water, sewer, and garbage utilities and the parking garage. The utilities fund 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. Depreciation expense amounted to \$4 million in 2015 and was the main cause of the business-type activities' net position decreasing by \$3.6 million.

Revenues from charges for services were \$2 million or 15% higher than experienced in 2014 and relate to an increase in utility usage charges. The increase in utility usage charges were primarily due to the higher water rates imposed by City of Chicago on the City of Berwyn, which were subsequently passed onto the City's residents and businesses.

Expenses within the utility fund increased moderately in 2015 by \$638,000 as the City was able to keep salaries and benefit costs stable while reducing the internal service charge expense by \$300,000. This helped offset the increase in expenses for the cost of water (\$501,000) and capital outlay (\$271,000).

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 2015, 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	\$ 53,213,548	\$ 5,584,045	\$ 10,564,871
Expenditures	79,100,834	11,031,649	14,896,819
Other Financing Sources (Uses) net	<u>31,087,663</u>	<u>5,916,453</u>	<u>1,523,374</u>
Net change in fund balance	5,200,377	468,849	(2,808,574)
Fund balance, beginning (as restated)	<u>14,316,506</u>	<u>669,905</u>	<u>8,566,292</u>
Fund balance, ending	<u>\$ 19,516,883</u>	<u>\$ 1,138,754</u>	<u>\$ 5,757,718</u>

General Fund revenues increased about 3.2% or \$1.7 million from 2014 to 2015. Most of the higher revenue came from income taxes (\$914,000), sales taxes (\$840,000), and home rule sales taxes (\$553,000). This compensated for lower revenue received from municipal utility taxes (\$422,000) and paramedic service collections (\$540,000).

General Fund expenditures increased by \$32 million compared to 2014 due mainly to the City's \$31 million contribution to the police and fire pension fund. The issuance of the 2015A public safety pension bonds are recorded as expenditure at the fund level. Also, a corresponding increase is noted in the City's other financing source total as a result of the 2015A issuance.

After an increase of \$4.3 million in 2014, the General Fund ending fund balance increased by \$5.2 million in 2015. The City has continued its refunding plan by refunding a number of debt service payments due in 2015. 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 significant increase in other revenues as well as moderate expenditure increases (net of pension bond contributions) have resulted in a surplus. This is part of a multi-year plan to build reserves to reduce the City's vulnerability to economic downturns and unexpected events in addition to potentially retiring future debt obligations.

Revenues in the Debt Service Fund increased from 2014 by \$1.2 million as the City dedicated more tax revenue toward the repayment of debt in 2015. Principal expenditures increased by \$200,000 compared to 2014 while interest expenditures increased by \$640,000 million based on the required debt service payments. Fund balance in the Debt Service Fund increased \$470,000 to \$1.1 million.

With the classifications of major and nonmajor funds not changing from 2014, the comparison between years features like funds. Expenditures increased by about \$3.2 million and revenues increased by \$275,000. Fund balance in the nonmajor funds decreased by approximately \$2.8 million. The primary decrease in the fund balance was a result of the expenditures incurred related to economic development within the Ogden Avenue TIF fund.

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 Business-Type Activities at the end of the 2015 amounted to \$5,241,306. The decrease in total net position of \$3.6 million resulted primarily from operating activities that generated a loss of \$3.4 million and interest expense of approximately \$208,000. Other factors concerning the finances of this fund have already been addressed in the discussion of the City's business-type activities.

Total net position at year-end was \$29.2 million which consists of \$10.2 million for the parking garage and \$19 million for the Utilities fund.

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 \$283,000. Expenses excluding depreciation amounted to about \$35,000. After depreciation of about \$233,000, the fund posted an operating income of \$15,000.

The City's Internal Service Fund (ISF) mainly represents costs for the City's worker's compensation and general liability insurances. Revenues within this fund result from charges to other funds of the City. Expenses for the ISF consist of claim payments, third party claim processing fees, insurance costs and liability reserve funding. During 2015, the fund's expenses increased by over \$1 million to \$2.1 million. The increase can be attributed to a higher amount of claims incurred in 2015 compared to 2014.

The majority of ISF revenue is from charges to other funds and departments based on 115% of the prior year's expenses. Therefore, the decrease in revenues can be attributed to the decrease in claims expenses in 2014 that were required to be funded in 2015. Net position decreased during 2015, resulting in a balance on December 31, 2015 of \$1.6 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 2015. 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.
Revenues				
Property taxes	\$ 20,569,170	\$ 20,667,998	\$ 98,828	0%
Other taxes	17,781,000	20,259,884	2,478,884	14%
Licenses and permits	3,244,000	3,692,357	448,357	14%
Charges for services	1,651,550	1,616,795	(34,755)	-2%
Fines and forfeitures	5,110,000	5,499,850	389,850	8%
Intergovernmental	102,000	112,295	10,295	10%
Investment income	35,000	58,364	23,364	67%
Miscellaneous	1,004,736	1,306,005	301,269	30%
Total Revenues	\$ 49,497,456	\$ 53,213,548	\$ 3,716,092	8%
Expenditures				
Current				
General government	\$ 3,825,874	\$ 4,014,184	\$ (188,310)	-5%
Public safety	67,145,455	65,801,086	1,344,369	2%
Public works	6,952,756	6,262,852	689,904	10%
Economic development	264,347	237,417	26,930	10%
Culture and recreation	1,946,496	1,931,462	15,034	1%
Debt Service				
Bond issuance costs	500,000	853,833	(353,833)	-71%
Total expenditures	\$ 80,634,928	\$ 79,100,834	\$ 1,534,094	2%

Significant changes from budget

Revenues

Total revenues exceeded budget during the 2015 fiscal year by \$3.7 million. Other taxes were a significant contributor to the overall positive variance as revenues were \$2.5 million or 14% more than budgeted. This was due to income and sales tax categories being higher than the budgeted amount by \$2.2 million. Also, real estate transfer taxes were \$340,000 over budget and red light photo enforcement was \$608,000 higher than the budget.

A portion of these positive variances were offset by lower than budgeted results from the municipal utility taxes (\$222,000) and paramedic service collections (\$139,000).

Expenditures

Overall, General Fund expenditures in 2015 were 2% or \$1.5 million under budget. Public safety contributed \$1.3 million to the positive variance due in large part to the internal service charges being \$870,000 lower than budget. Also salaries and benefits were \$300,000 under the budget.

Public works presented lower than budgeted expenses of \$690,000. Lower than expected salaries, benefits, and professional services contributed to the positive variance.

The bond issuance cost for debt service was over budget by \$350,000 as a result of the City obtaining bond insurance for the 2015A pension bond issuance.

Capital Asset and Debt Administration

Significant change - Capital assets

The table below summarizes the City's capital asset balances at year end for 2015 with comparative figures for 2014.

City of Berwyn Capital Assets (net of accumulated depreciation)

	Governmental activities		Business-Type activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 10,147,147	\$ 10,002,147	\$ 24,600	\$ 24,600	\$ 10,171,747	\$ 10,026,747
CIP	2,138,507	2,023,773	434,551	13,368	2,573,058	2,037,141
Buildings	10,514,665	10,914,301	9,408,171	9,641,438	19,922,836	20,555,739
Equipment	1,204,182	1,286,476	61,806	75,540	1,265,988	1,362,016
Land improvements	7,688,648	7,715,628	-	-	7,688,648	7,715,628
Vehicles	3,939,532	3,542,833	501,015	138,750	4,440,547	3,681,583
Infrastructure	<u>16,563,271</u>	<u>18,012,016</u>	<u>20,301,145</u>	<u>22,299,975</u>	<u>36,864,416</u>	<u>40,311,991</u>
Total	<u>\$ 52,195,952</u>	<u>\$ 53,497,174</u>	<u>\$ 30,731,288</u>	<u>\$ 32,193,671</u>	<u>\$ 82,927,240</u>	<u>\$ 85,690,845</u>

At the end of 2015, construction in progress for government activities included the East Avenue road construction and the Depot District streetscape projects which totaled \$2.1 million.

For business activities, expenditures totaling \$421,000 were added to CIP in 2015 for the 19th street generator project.

Some of the other larger governmental activities additions included the purchase of 10 police vehicles (\$301,000), two ambulances (\$259,000), a street sweeper (\$314,000), and a dump truck (\$106,000).

For business-type activities, a major purchase that occurred in the utilities fund was a Vector Truck (\$324,000).

These increases in capital assets were offset by depreciation charges of \$3.8 million for governmental activities and \$4.0 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	
	2015	2014 (Restated)	2015	2014 (Restated)	2015	2014
General obligation bonds	\$ 164,124,062	\$ 132,148,859	\$ 6,840,000	\$ 4,960,000	\$ 170,964,062	\$ 137,108,859
Installment notes payable	465,481	620,642			465,481	620,642
Mortgage notes payable	1,742,488	2,077,979			1,742,488	2,077,979
Unamortized premiums	1,367,961	1,491,268	251,318	70,406	1,619,279	1,561,674
Unamortized discounts	(737,649)	(477,238)	(37,124)	(39,304)	(774,773)	(516,542)
Capital leases	759,924	355,082	194,450		954,374	355,082
Claims payable	3,316,787	2,670,585			3,316,787	2,670,585
Net pension liability	91,868,670	96,119,230	272,068	188,743	92,140,738	96,307,973
Net OPEB obligation	846,104	792,807			846,104	792,807
IMRF early retirement liability	189,783	339,246			189,783	339,246
Compensated absences	4,350,179	4,313,422	103,323	101,754	4,453,502	4,415,176
Total	\$ 268,293,790	\$ 240,451,882	\$ 7,624,035	\$ 5,281,599	\$ 275,917,825	\$ 245,733,481

In 2015, the City was able to maintain 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, at a minimum, maintain the existing A stable credit rating.

During 2015, the City issued \$31,000,000 in General Obligation Bonds, Series 2015A. The City then transferred the total amount of the bond issuance, excluding issuance and insurance costs, to both the Fire and Police Pensions (\$15,000,000 each), as the purpose of the bond issuance was to fund a portion of the unfunded liabilities of both pension funds. This is part of a multi-year plan for the City to fully fund both pension plans by 2023.

Also, during the year the City continued the restructuring of its outstanding general obligation debt which began in prior years. The City issued \$6,725,000 of General Obligation Bonds, Series 2015B. Of the total 2015B issuance, \$4,845,000 (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 have allowed the City to continue building a solid fund balance. Also, \$1,880,000 of the 2015B issuance was used for infrastructure improvements within the Utility fund.

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 the governmental activities total long term debt during 2015 include: 1. a decrease in installment notes payable of \$155,000; 2. a decrease in mortgage notes payable of almost \$335,000; 3. An increase in claims payable of almost \$650,000; 4. An increase of \$53,000 in the actuarially determined net other post employment benefit (OPEB) obligation; 5. A decrease in IMRF early retirement liability of \$150,000 and 6. A net increase of about \$37,000 in compensated absences.

Economic Factors and Next Year's Budgets and Rates

Retail expansion and reinvestment within the City's TIF districts continues to be a primary focus for the City in 2016. Phase II of the Berwyn Gateway Plaza project has been implemented and should be completed by the end of 2016. This development will create over 16,500 square feet of new retail space for several promising businesses including national marquee tenants such as Starbucks. The success of phase I and phase II within the Berwyn Gateway Plaza has generated consideration of a third and final phase which could potentially start in early 2017.

Home Run Inn Pizzeria is expected to finish construction during 2016 and will complete the City's effort to fully redevelop the commercial block between Grove and Oak Park Avenue on Cermak Road. Also, the City's business recruitment efforts have created five new retail businesses in the Depot District with all of the businesses under construction and opening in 2016.

These developments should make strong contributions to the City's local economy as well as 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 2016 have been abated in anticipation of a current bond refunding which is to take place in the fall of 2016. This expected bond issue has been budgeted in the Debt Service Fund for 2016.

In 2017, the City expects to 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. 26th Street, Berwyn, Illinois 60402.

CITY OF BERWYN, ILLINOIS
STATEMENT OF NET POSITION
December 31, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Berwyn Development Corporation
ASSETS				
Cash and investments	\$ 27,477,664	\$ 3,209,610	\$ 30,687,274	\$ 1,193,123
Restricted cash	271,864	463,615	735,479	348,244
Receivables, net of allowance where applicable				
Property tax	31,021,708	-	31,021,708	-
Sales tax	928,271	-	928,271	-
Home rule sales tax	689,265	-	689,265	-
Income tax	1,722,683	-	1,722,683	-
Personal property replacement tax	32,160	-	32,160	-
Utility tax	482,999	-	482,999	-
Accounts	2,078,113	6,149,856	8,227,969	53,218
Interest	3,771	424	4,195	-
Prepaid expenses	158,187	-	158,187	15,519
Internal balances	208,658	(208,658)	-	-
Due from other governments	263,194	-	263,194	-
Notes receivable	2,716,092	-	2,716,092	1,971,932
Land held for resale	1,034,647	-	1,034,647	-
Capital assets, not being depreciated	12,285,654	459,151	12,744,805	-
Capital assets, being depreciated (net of accumulated depreciation)	39,910,298	30,272,137	70,182,435	15,734
Total Assets	<u>121,285,228</u>	<u>40,346,135</u>	<u>161,631,363</u>	<u>3,597,770</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	18,791,192	168,335	18,959,527	-
Pension contributions subsequent to measurement date	1,117,244	136,823	1,254,067	-
Total Deferred Outflows of Resources	<u>19,908,436</u>	<u>305,158</u>	<u>20,213,594</u>	<u>-</u>
LIABILITIES				
Accounts payable	1,280,107	3,322,538	4,602,645	49,861
Accrued payroll	1,254,431	663	1,255,094	-
Accrued interest payable	666,989	27,975	694,964	-
Due to fiduciary funds	25,230	-	25,230	-
Unearned revenues	2,606,068	404,940	3,011,008	-
Security deposits	-	9,202	9,202	-
Other liabilities	946,568	-	946,568	483,321
Noncurrent liabilities				
Due within one year	6,376,263	212,369	6,588,632	-
Due in more than one year	261,917,527	7,411,667	269,329,194	1,865,128
Total Liabilities	<u>275,073,183</u>	<u>11,389,354</u>	<u>286,462,537</u>	<u>2,398,310</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred infows related to pensions	602,776	74,374	677,150	-
Deferred revenue - property taxes	30,794,872	-	30,794,872	-
Total Deferred Inflows of Resources	<u>31,397,648</u>	<u>74,374</u>	<u>31,472,022</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	(39,825,361)	23,946,259	(15,879,102)	15,734
Restricted for				
Public safety	1,314,809	-	1,314,809	-
Public works	1,230,793	-	1,230,793	-
Economic development	1,150,354	-	1,150,354	-
Debt service	1,138,754	-	1,138,754	-
Unrestricted (deficit)	<u>(130,286,516)</u>	<u>5,241,306</u>	<u>(125,045,210)</u>	<u>1,183,726</u>
TOTAL NET POSITION (DEFICIT)	<u>\$ (165,277,167)</u>	<u>\$ 29,187,565</u>	<u>\$ (136,089,602)</u>	<u>\$ 1,199,460</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2015

FUNCTIONS/PROGRAMS	Net (Expense) Revenue and Change in Net Position										Component Unit		
	Program Revenues					Primary Government							
	Expenses	Charges for Services	Operating Grants	Capital Grants		Governmental Activities	Business-Type Activities	Total					
PRIMARY GOVERNMENT													
Governmental Activities	\$ 3,875,080	\$ 2,543,015	\$ -	\$ -	\$ -	\$ (1,332,065)	\$ -	\$ (1,332,065)	\$ -	\$ (1,332,065)	\$ -		
General government	45,477,225	6,177,670	772,271	167,975	-	(38,359,309)	-	(38,359,309)	-	(38,359,309)	-		
Public safety	8,365,920	2,150,174	1,661,230	-	-	(4,554,516)	-	(4,554,516)	-	(4,554,516)	-		
Economic development	8,816,846	32,000	1,686,391	1,900,000	-	(5,198,455)	-	(5,198,455)	-	(5,198,455)	-		
Culture and recreation	4,969,399	572,002	514,312	-	-	(3,883,085)	-	(3,883,085)	-	(3,883,085)	-		
Health and sanitation	-	87,188	-	-	-	87,188	-	87,188	-	87,188	-		
Interest & debt issuance costs	8,136,685	-	-	-	-	(8,136,685)	-	(8,136,685)	-	(8,136,685)	-		
Total Governmental Activities	79,641,155	11,562,049	4,634,204	2,067,975	-	(61,376,927)	-	(61,376,927)	-	(61,376,927)	-		
Business-Type Activities	19,533,100	15,850,671	-	-	-	-	(3,682,429)	(3,682,429)	-	(3,682,429)	-		
Water and sewer	268,197	282,774	-	-	-	-	14,577	14,577	-	14,577	-		
Parking Garage	19,801,297	16,133,445	-	-	-	-	(3,667,852)	(3,667,852)	-	(3,667,852)	-		
Total Business-Type Activities	\$ 99,442,452	\$ 27,695,494	\$ 4,634,204	\$ 2,067,975	-	(61,376,927)	(3,667,852)	(65,044,779)	-	(65,044,779)	-		
TOTAL PRIMARY GOVERNMENT													
	\$ 1,381,539	\$ 1,208,222	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (173,317)	
COMPONENT UNIT													
Berwyn Development Corporation													
General Revenues													
Taxes													
Property						31,831,367	-	31,831,367	-	31,831,367	-		
Sales						3,842,183	-	3,842,183	-	3,842,183	-		
Home rule sales						2,733,826	-	2,733,826	-	2,733,826	-		
Replacement						217,728	-	217,728	-	217,728	-		
Municipal utility						3,277,911	-	3,277,911	-	3,277,911	-		
Real estate transfer						1,838,263	-	1,838,263	-	1,838,263	-		
Other						1,371,768	-	1,371,768	-	1,371,768	-		
Income						7,386,431	-	7,386,431	-	7,386,431	-		
Investment income						73,779	6,312	80,091	-	80,091	-		
Gain on sale of capital assets						184,694	-	184,694	-	184,694	-		
Miscellaneous						252,871	70,000	322,871	-	322,871	-		
Total General Revenues and Transfers						53,010,821	76,312	53,087,133	-	53,087,133	-		
CHANGE IN NET POSITION						(8,366,106)	(3,591,540)	(11,957,646)		(11,957,646)		(173,317)	
NET POSITION (DEFICIT), JANUARY 1 (RESTATED)						(156,911,061)	32,779,105	(124,131,956)		(124,131,956)		1,372,777	
NET POSITION (DEFICIT), DECEMBER 31						<u>\$ (165,277,167)</u>	<u>\$ 29,187,565</u>	<u>\$ (136,089,602)</u>		<u>\$ (136,089,602)</u>		<u>\$ 1,199,460</u>	

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

**BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2015**

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 22,030,046	\$ 76,464	\$ 5,271,154	\$ 27,377,664
Restricted cash	-	96,726	175,138	271,864
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	21,580,729	6,149,462	3,291,517	31,021,708
Sales taxes	928,271	-	-	928,271
Home rule sales tax	689,265	-	-	689,265
Income taxes	1,722,683	-	-	1,722,683
Personal property replacement tax	32,160	-	-	32,160
Utility tax	482,999	-	-	482,999
Accounts	1,923,403	-	150,710	2,074,113
Interest	2,754	28	989	3,771
Prepaid items	158,187	-	-	158,187
Due from other funds	2,218,614	922,305	1,096,038	4,236,957
Due from other governments	-	-	263,194	263,194
Notes receivable	262,024	-	2,454,068	2,716,092
Land held for resale	225,000	-	809,647	1,034,647
TOTAL ASSETS	\$ 52,256,135	\$ 7,244,985	\$ 13,512,455	\$ 73,013,575
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 756,701	\$ 3,071	\$ 520,335	\$ 1,280,107
Accrued payroll	2,016,076	-	75,862	2,091,938
Unearned revenues	-	-	2,606,068	2,606,068
Due to other funds	7,787,769	-	1,067,668	8,855,437
Due to fiduciary funds	25,230	-	-	25,230
Other liabilities	713,185	-	233,383	946,568
TOTAL LIABILITIES	11,298,961	3,071	4,503,316	15,805,348
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	21,440,291	6,103,160	3,251,421	30,794,872
TOTAL DEFERRED INFLOWS OF RESOURCES	21,440,291	6,103,160	3,251,421	30,794,872
FUND BALANCE				
Nonspendable				
Notes receivable	262,024	-	-	262,024
Land held for resale	225,000	-	-	225,000
Prepaid items	158,187	-	-	158,187
Restricted				
Public safety	-	-	1,314,809	1,314,809
Public works	-	-	1,230,793	1,230,793
Culture and recreation	-	-	732,960	732,960
Economic development	-	-	1,150,354	1,150,354
Debt service	-	1,138,754	-	1,138,754
Committed				
Capital projects funded by bonds	-	-	1,471,876	1,471,876
Assigned				
Fuel surcharge for gas pump repairs	16,873	-	-	16,873
Future community events	16,571	-	-	16,571
Unassigned (deficit)	18,838,228	-	(143,074)	18,695,154
TOTAL FUND BALANCE	19,516,883	1,138,754	5,757,718	26,413,355
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 52,256,135	\$ 7,244,985	\$ 13,512,455	\$ 73,013,575

CITY OF BERWYN, ILLINOIS

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION
December 31, 2015**

FUND BALANCES OF GOVERNMENTAL FUNDS	\$	26,413,355
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		52,195,952
Deferred inflows and outflows related to the net pension liability are not current financial resources and therefore, are not reported in the governmental funds		
Deferred outflows of resources		19,908,436
Deferred inflows of resources		(602,776)
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		(1,368,061)
Discount on bonds		737,749
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		(164,124,071)
Installment notes payable		(465,481)
Mortgage notes payable		(1,742,488)
Capital leases		(759,923)
IMRF early retirement liability		(189,783)
Long-term compensated absences		(3,512,666)
Net pension liability		(91,868,670)
Net other postemployment benefits obligation		(846,104)
Accrued interest on bonds		(666,989)
The unrestricted net position of the internal service funds are included in the governmental activities in the statement of net position		1,614,353
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>(165,277,167)</u>

CITY OF BERWYN, ILLINOIS

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

For the Year Ended December 31, 2015

	<u>General</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 20,667,998	\$ 5,583,519	\$ 5,579,850	\$ 31,831,367
Other taxes	20,259,884	-	479,335	20,739,219
Licenses and permits	3,692,357	-	-	3,692,357
Charges for services	1,616,795	-	-	1,616,795
Fines and forfeitures	5,499,850	-	63,201	5,563,051
Intergovernmental	112,295	-	3,791,450	3,903,745
Investment income	58,364	526	14,889	73,779
Miscellaneous	1,306,005	-	636,146	1,942,151
Total Revenues	<u>53,213,548</u>	<u>5,584,045</u>	<u>10,564,871</u>	<u>69,362,464</u>
EXPENDITURES				
Current				
General government	4,014,184	-	-	4,014,184
Public safety	65,801,086	-	1,245,932	67,047,018
Public works	6,262,852	-	1,122,234	7,385,086
Economic development	237,417	-	7,863,191	8,100,608
Culture and recreation	1,931,462	-	3,075,611	5,007,073
Capital outlay	-	-	727,843	727,843
Debt service				
Principal	-	3,910,000	790,652	4,700,652
Interest and fiscal charges	-	6,955,907	71,356	7,027,263
Bond issuance costs	853,833	165,742	-	1,019,575
Total Expenditures	<u>79,100,834</u>	<u>11,031,649</u>	<u>14,896,819</u>	<u>105,029,302</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(25,887,286)</u>	<u>(5,447,604)</u>	<u>(4,331,948)</u>	<u>(35,666,838)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds of debt issuance	31,000,000	4,845,000	2,200,000	38,045,000
Discount on issuance of long-term debt	(232,041)	(64,843)	-	(296,884)
Proceeds from sale of capital assets	12,514	-	-	12,514
Proceeds from capital leases	766,860	-	-	766,860
Transfers in	-	1,136,296	459,670	1,595,966
Transfers (out)	(459,670)	-	(1,136,296)	(1,595,966)
Total Other Financing Sources (Uses)	<u>31,087,663</u>	<u>5,916,453</u>	<u>1,523,374</u>	<u>38,527,490</u>
NET CHANGE IN FUND BALANCES	5,200,377	468,849	(2,808,574)	2,860,652
FUND BALANCES, JANUARY 1	<u>14,316,506</u>	<u>669,905</u>	<u>8,566,292</u>	<u>23,552,703</u>
FUND BALANCES, DECEMBER 31	<u>\$ 19,516,883</u>	<u>\$ 1,138,754</u>	<u>\$ 5,757,718</u>	<u>\$ 26,413,355</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, 2015**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 2,860,652
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	2,579,797
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities	(36,911,860)
The accretion on capital appreciation bonds does not require the use of current financial resources and, therefore, is not reported in the governmental funds	(40,203)
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	3,910,000
Installment notes	155,161
Mortgage notes	635,491
Capital leases	362,018
Changes in net pension liabilities are reported only in the statement of activities	
Police pension	3,170,129
Firefighters' pension	1,752,041
IMRF	(668,703)
IMRF SLEP	(2,907)
Changes in deferred outflows and inflows related to pensions are not included in the governmental funds	
Deferred outflow of resources	18,890,948
Deferred inflow of resources	(602,776)
Other postemployment benefits are recognized when paid within the governmental funds; however, they are recognized as earned in the government-wide financial statements	(53,297)
Changes in long-term accrued compensated absences are reported only in the statement of activities	(126,656)
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	(3,824,173)
Loss on disposal of capital assets	(56,773)
Change in accrued interest payable	(134,305)
Deferral of bond discount/premium	296,884
Amortization of accounting loss on refunding	(2,173)
Amortization of bond premium and discount	86,834
Change in IMRF liability	149,463
The change in net position of certain activities of internal service funds is reported with governmental activities	(791,698)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (8,366,106)</u>

CITY OF BERWYN, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2015

	Business-Type			Governmental Activities Internal Service
	Utilities	Parking Garage	Total	
ASSETS				
CURRENT ASSETS				
Cash and investments	\$ 3,209,610	\$ -	\$ 3,209,610	\$ 100,000
Restricted cash	463,615	-	463,615	-
Receivables				
Accounts (net of allowance)	6,149,856	-	6,149,856	4,000
Interest	424	-	424	-
Due from other funds	-	942,287	942,287	4,827,139
	<u>9,823,505</u>	<u>942,287</u>	<u>10,765,792</u>	<u>4,931,139</u>
Total Current Assets				
NONCURRENT ASSETS				
Capital assets				
Capital assets, not being depreciated	459,151	-	459,151	-
Capital assets, net of accumulated depreciation	21,017,739	9,254,398	30,272,137	-
Net Capital Assets	<u>21,476,890</u>	<u>9,254,398</u>	<u>30,731,288</u>	<u>-</u>
Total Noncurrent Assets	<u>21,476,890</u>	<u>9,254,398</u>	<u>30,731,288</u>	<u>-</u>
Total Assets	<u>31,300,395</u>	<u>10,196,685</u>	<u>41,497,080</u>	<u>4,931,139</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	168,335	-	168,335	-
Pension contributions subsequent to measurement date	136,823	-	136,823	-
	<u>305,158</u>	<u>-</u>	<u>305,158</u>	<u>-</u>
Total Deferred Outflows of Resources				
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	3,312,226	10,312	3,322,538	-
Claims payable	-	-	-	747,894
Accrued payroll	663	-	663	-
Security deposits	-	9,202	9,202	-
Unearned revenue	404,940	-	404,940	-
Accrued interest payable	27,975	-	27,975	-
Bonds payable	100,000	-	100,000	-
Capital lease payable	63,041	-	63,041	-
Compensated absences	49,328	-	49,328	-
Due to other funds	1,150,945	-	1,150,945	-
	<u>5,109,118</u>	<u>19,514</u>	<u>5,128,632</u>	<u>747,894</u>
Total Current Liabilities				
LONG-TERM LIABILITIES				
Claims payable	-	-	-	2,568,893
Bonds payable	6,954,194	-	6,954,194	-
Capital lease payable	131,409	-	131,409	-
Net pension obligation	272,068	-	272,068	-
Compensated absences payable	53,996	-	53,996	-
	<u>7,411,667</u>	<u>-</u>	<u>7,411,667</u>	<u>2,568,893</u>
Total Long-Term Liabilities				
	<u>12,520,785</u>	<u>19,514</u>	<u>12,540,299</u>	<u>3,316,787</u>
Total Liabilities				
DEFERRED INFLOWS OF RESOURCES				
Deferred infows related to pensions	74,374	-	74,374	-
	<u>74,374</u>	<u>-</u>	<u>74,374</u>	<u>-</u>
Total Deferred Inflows of Resources				
NET POSITION				
Net investment in capital assets	14,691,861	9,254,398	23,946,259	-
Unrestricted	4,318,533	922,773	5,241,306	1,614,352
	<u>\$ 19,010,394</u>	<u>\$ 10,177,171</u>	<u>\$ 29,187,565</u>	<u>\$ 1,614,352</u>
Total Net Position				

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, 2015

	Business-Type			Governmental
	Utilities	Parking Garage	Total	Internal Service
OPERATING REVENUES				
Charges for services				
Billings	\$ 14,336,808	\$ -	\$ 14,336,808	\$ -
Penalties	1,458,619	-	1,458,619	-
Meter sales	50,397	-	50,397	-
Internal service charges	-	-	-	1,205,824
Other revenue	4,847	282,774	287,621	59,568
Total Operating Revenues	<u>15,850,671</u>	<u>282,774</u>	<u>16,133,445</u>	<u>1,265,392</u>
OPERATING EXPENSES				
Salaries and benefits	1,668,766	-	1,668,766	-
Internal service fund charge	63,541	-	63,541	-
Cost of water	6,802,083	-	6,802,083	-
Contractual services	4,739,755	4,660	4,744,415	634,332
Utilities and cost of fuel	104,931	18,738	123,669	-
Repairs and maintenance	181,876	11,568	193,444	-
Postage, printing and publications	55,320	-	55,320	-
Commodities and supplies	540,148	-	540,148	-
Interdepartmental charges	1,040,603	-	1,040,603	-
Other general	4,297	-	4,297	-
Equipment lease	23,024	-	23,024	-
Claims expense	-	-	-	1,422,758
Capital outlay	271,156	-	271,156	-
Depreciation	3,758,410	233,231	3,991,641	-
Total Operating Expenses	<u>19,253,910</u>	<u>268,197</u>	<u>19,522,107</u>	<u>2,057,090</u>
Operating Income (Loss)	<u>(3,403,239)</u>	<u>14,577</u>	<u>(3,388,662)</u>	<u>(791,698)</u>
NON-OPERATING INCOME (EXPENSE)				
Investment income	6,312	-	6,312	-
Bond issuance costs	(70,369)	-	(70,369)	-
Interest expense	(208,821)	-	(208,821)	-
Insurance reimbursements	70,000	-	70,000	-
Total Non-operating Income (Expense)	<u>(202,878)</u>	<u>-</u>	<u>(202,878)</u>	<u>-</u>
CHANGE IN NET POSITION	(3,606,117)	14,577	(3,591,540)	(791,698)
NET POSITION, JANUARY 1 (RESTATED)	<u>22,616,511</u>	<u>10,162,594</u>	<u>32,779,105</u>	<u>2,406,050</u>
NET POSITION, DECEMBER 31	<u>\$ 19,010,394</u>	<u>\$ 10,177,171</u>	<u>\$ 29,187,565</u>	<u>\$ 1,614,352</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2015

	Business-Type			Governmental Activities Internal Service
	Utilities	Parking Garage	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 16,501,599	\$ 284,774	\$ 16,786,373	\$ 1,261,442
Payments to employees	(1,710,953)	-	(1,710,953)	-
Payments to suppliers	(12,577,650)	(25,081)	(12,602,731)	(1,149,635)
Payments for interfund services used	(1,104,144)	-	(1,104,144)	-
Net cash from operating activities	<u>1,108,852</u>	<u>259,693</u>	<u>1,368,545</u>	<u>111,807</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Insurance reimbursements	70,000	-	70,000	-
(Increase) in interfund receivable	-	(259,693)	(259,693)	(111,807)
(Decrease) in interfund payable	(1,701,431)	-	(1,701,431)	-
Net cash from noncapital financing activities	<u>(1,631,431)</u>	<u>(259,693)</u>	<u>(1,891,124)</u>	<u>(111,807)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Interest paid on capital debt	(197,948)	-	(197,948)	-
Bond proceeds, issuance costs, and premiums/discounts	1,992,723	-	1,992,723	-
Purchase of capital assets	(2,334,808)	-	(2,334,808)	-
Net cash from capital and related financing activities	<u>(540,033)</u>	<u>-</u>	<u>(540,033)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income received	<u>6,355</u>	<u>-</u>	<u>6,355</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>(1,056,257)</u>	<u>-</u>	<u>(1,056,257)</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>4,729,482</u>	<u>-</u>	<u>4,729,482</u>	<u>100,000</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 3,673,225</u>	<u>\$ -</u>	<u>\$ 3,673,225</u>	<u>\$ 100,000</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (3,403,239)	\$ 14,577	\$ (3,388,662)	\$ (791,698)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	3,758,410	233,231	3,991,641	-
Changes in assets and liabilities				
Accounts receivable	651,712	2,000	653,712	(3,950)
Prepaid expense	-	-	-	261,253
Accounts payable	144,940	9,885	154,825	-
Accrued payroll and compensated absences	(19,433)	-	(19,433)	-
Unearned revenue	(784)	-	(784)	-
Net pension obligation	83,325	-	83,325	-
Deferred outflow and inflow of resources	(106,079)	-	(106,079)	-
Claims payable	-	-	-	646,202
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 1,108,852</u>	<u>\$ 259,693</u>	<u>\$ 1,368,545</u>	<u>\$ 111,807</u>
CASH AND INVESTMENTS				
Cash and cash equivalents	\$ 3,209,610	\$ -	\$ 3,209,610	\$ 100,000
Restricted cash	<u>463,615</u>	<u>-</u>	<u>463,615</u>	<u>-</u>
TOTAL CASH AND INVESTMENTS	<u>\$ 3,673,225</u>	<u>\$ -</u>	<u>\$ 3,673,225</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, 2015

ASSETS

Cash and investments	
Cash and cash equivalents	\$ 38,172
Investments	
U.S. Government and agency securities	17,575,195
Corporate bonds	17,230,001
Money market mutual funds	14,286,315
Equities	29,547,162
Equity mutual funds	42,270,400
Certificates of deposit	95,118
State and local obligations	1,293,182
Insurance contracts	<u>117,547</u>

 Total Cash and Investments 122,453,092

Receivables	
Accrued interest	241,072
Other receivables	19,169
Due from governmental funds	<u>25,230</u>

 Total Receivables 285,471

Prepays	<u>1,665</u>
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 Total Assets 122,740,228

LIABILITIES

Accounts payable	<u>58,476</u>
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 Total Liabilities 58,476

**NET POSITION HELD IN TRUST FOR
PENSION BENEFITS**

\$ 122,681,752

CITY OF BERWYN, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For the Year Ended December 31, 2015

ADDITIONS

Contributions	
Employer	\$ 33,243,646
Participants	<u>1,621,551</u>
Total Contributions	<u>34,865,197</u>
Investment income	
Net appreciation in fair value of investments	(5,809,910)
Interest earned	2,913,270
Less investment expenses	<u>(322,461)</u>
Total Investment Income	<u>(3,219,101)</u>
Total Additions	<u>31,646,096</u>

DEDUCTIONS

Administrative	136,158
Pension benefits and refunds	<u>8,718,108</u>
Total Deductions	<u>8,854,266</u>

NET INCREASE 22,791,830

NET POSITION HELD IN TRUST FOR
PENSION BENEFITS - January 1 99,889,922

**NET POSITION HELD IN TRUST FOR
PENSION BENEFITS - December 31** \$ 122,681,752

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.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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, 2015 for debt and equity securities. Mutual funds, investment funds and insurance separate accounts are valued at contract value as of December 31, 2015.

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.”

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 under the consumption method.

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.

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.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 items that qualify for reporting in this category for the City relate to the City's pension plans. They are reported in the government-wide statement of net position. The first is the net effect of differences between expected and actual experience, changes of assumptions and the net difference between projected and actual earnings on pension plan investments. The first two components of this amount are recognized in pension expense over the average of the expected remaining service lives of all employees that are provided with pensions through the plans while the component related to the difference between projected and actual earnings is recognized in pension expense over a five year period. The second item included in deferred outflows of resources is contributions to the Illinois Municipal Retirement Fund by the City subsequent to the measurement date of the net pension liability (December 31, 2014) and before the end of the fiscal year. This amount is included in expense in the subsequent fiscal year.

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 two types of items that qualify for reporting in this category. Deferred revenue related to property taxes is reported in both the governmental funds and the government wide statements because they represent property taxes that are a current receivable but are intended to finance future periods. Deferred inflows of resources related to pensions represents differences between expected and actual experience for the pension plans and is amortized to expense over the average of the expected remaining service lives of all employees that are provided with pensions through the plans.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2015, the City reported \$837,513 within its General Fund and \$49,328 within its Utilities Fund related to sick leave purchased back for 2015. 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.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Amounts restricted for public safety are for fire (\$49,442), the 911 dispatch center (\$827,009) and police (\$438,358). Amounts restricted for public works are for street and highway maintenance. Amounts restricted for culture and recreation are for the library. Amounts restricted for economic development are for TIF eligible expenditures (\$712,334), the Neighborhood Stabilization Program (\$311,785) and CDBG projects (\$126,235).
 - 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, 2015, 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, 2015, 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.
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CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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, 2015 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:

6/1/2016	\$	96,726
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In addition, unspent bond proceeds in the amount of \$463,615 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 \$50,000 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. Finally, restricted cash is presented in the Library Fund in the amount of \$125,138 related to a construction grant received from the State but not yet spent.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 Harlem Avenue TIF Fund had a deficit fund balance at December 31, 2015 of (\$143,074). This was primarily due to significant economic development expenditures occurring within the TIF. Increasing property tax revenues resulting from the development projects are expected to eliminate the deficit.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

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	\$ 27,689,488	\$ 28,336,245	Custodial credit deposits
Illinois Funds	3,207,052	3,203,552	Credit rate risk
Certificates of deposit	659,503	659,503	Custodial credit deposits
U.S. Treasury	13,450,799	13,450,799	Custodial credit investments and interest rate risks
U.S. agencies	4,124,396	4,124,396	Custodial credit investments, credit, concentration of credit and interest rate risk
Insurance Company Contracts	117,547	117,547	Credit and interest rate
Corporate bonds	17,230,001	17,230,001	Custodial credit, credit, and interest rate risk
Equities	29,547,162	29,547,162	Custodial credit risk
Equity mutual funds	42,270,400	42,270,400	Custodial credit risk
State and local obligations	1,293,182	1,293,182	Custodial credit, credit, and interest rate risk
Money market mutual funds	<u>14,286,315</u>	<u>14,286,315</u>	Credit rate risk
	<u>\$ 153,875,845</u>	<u>\$ 154,519,102</u>	
Reconciliation to financial statements			
Per Statement of Net Position			
Cash and investments	\$ 30,687,274		
Restricted cash	735,479		
Per Statement of Net Position - Fiduciary funds			
Pension Trust Funds	<u>122,453,092</u>		
Total Cash and Investments	<u>\$ 153,875,845</u>		

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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.

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, 2015, 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.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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, 2015, 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.

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).

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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, 2015, 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, 2015, the Police Pension Fund held \$7,772,683 in cash accounts listed as cash and cash equivalents and money market funds, which is approximately 1.05% of Pension Fund Cash and Investments.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

As of December 31, 2015, 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</u> <u>1 Year</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>Over 10</u>
U.S. Treasury	\$ 8,304,758	\$ 1,408,887	\$ 3,988,259	\$ 2,907,612	\$ -
U.S. agencies	2,501,451	-	1,323,778	590,566	587,107
Corporate bonds	11,363,133	940,069	5,815,684	4,402,110	205,270
State and local	781,063	-	698,715	82,348	-
Total	\$22,950,405	\$ 2,348,956	\$11,826,436	\$ 7,982,636	\$ 792,377

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 \$572,128. 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, 2015, the

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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>
Harbor International Fund	\$ 6,965,102	9.49%

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 38% of its portfolio be in fixed income securities, a 33% target in domestic equities, a 24% target in international equities, a 3% target in REITs with the remaining 2% to be in cash and equivalents. The Police Pension Fund has diversified its insurance contract and equity mutual fund holdings as follows:

Harbor International Fund	\$ 6,965,102
Vanguard FTSE Developed Markets ETF Fund	3,435,487
Vanguard Developed Market Index Fund	3,008,355
Vanguard FTSE Emerging Markets ETF Fund	1,934,469
Voya Real Estate Fund	1,927,780
Artisan Mid Cap Fund	1,710,085
AlianzGI NFJ Small-Cap Value Fund	1,494,900
Lazard Emerging Markets Equity Fund	1,248,397
iShares Core S&P Small-Cap ETF Fund	1,156,329
iShares Core S&P Mid-Cap ETF Fund	413,780

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

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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, 2015, 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.

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, 2015, the Firefighters' Pension Fund held \$6,551,804 in cash accounts listed as cash and cash equivalents and money market funds, which is approximately 13.36% of Pension Fund Cash and Investments.

CITY OF BERWYN, ILLINOISNotes to financial statements
December 31, 2015**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

As of December 31, 2015, 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	\$ 5,146,041	\$ 730,460	\$ 2,217,959	\$ 2,197,622	\$ -
U.S. agencies	1,622,945	200,022	728,329	342,974	351,620
Corporate bonds	5,866,868	438,250	3,033,673	2,274,787	120,158
Certificates of deposit	95,118	95,118	-	-	-
State and local obligations	512,119	-	120,202	391,917	-
Total	\$ 13,243,091	\$ 1,463,850	\$ 6,100,163	\$ 5,207,300	\$ 471,778

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 \$294,625 as of December 31, 2015. 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.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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, 2015, the Firefighters' Pension Fund had greater than five percent of its overall portfolio invested in the following:

<u>Investment</u>	<u>Invested</u>	<u>Total Portfolio</u>
Harbor International Institutional Fund	\$ 7,823,036	15.95%
iShares Core S&P 500 ETF Fund	4,819,772	9.83%
Harding Loevner Emerging Market Portfolio Fu	2,787,823	5.68%

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 38% of its portfolio be in fixed income securities, a 33% target in domestic equities, a 24% target in international equities, a 3% target in REITs with the remaining 2% 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	\$ 7,823,036
iShares Core S&P 500 ETF fund	4,819,772
Harding Loevner Emerging Market Portfolio Fund	2,787,823
Vanguard REIT ETF Fund	1,222,181
ASTON/Fairpointe Mid Cap Blend Fund	905,845
Madison Mid Cap Growth Fund	1,417,059

B. Receivables

Property Taxes: Property taxes for 2015 attach as an enforceable lien on January 1, 2015 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, 2016 and October 1, 2016 and are payable in two installments, on or about April 1, 2016 and November 1, 2016. The County collects such taxes and remits them periodically. The 2015 tax levy is intended to finance operations for 2016 and is therefore recorded as deferred inflows of resources.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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 Loan	<u>0%</u>	<u>\$2,518,958</u>	<u>\$ -</u>	<u>\$ 64,890</u>	<u>\$ -</u>	<u>\$2,454,068</u>

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

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, 2015 are as follows:

<u>Original Loan</u>	<u>Beginning Balance</u>	<u>Loans Issued</u>	<u>Principal Paid/Reduced</u>	<u>Ending Balance</u>	<u>Current Position</u>
\$ 390,000	\$ 332,376	\$ -	\$ 332,376	\$ -	\$ -
8,000	-	8,000	2,228	5,772	-
255,000	241,182	-	12,781	228,401	12,781
35,000	29,194	-	1,343	27,851	1,332
<u>92,063</u>	<u>92,063</u>	<u>-</u>	<u>92,063</u>	<u>-</u>	<u>-</u>
<u>\$ 780,063</u>	<u>\$ 694,815</u>	<u>\$ 8,000</u>	<u>\$ 440,791</u>	<u>\$ 262,024</u>	<u>\$ 14,113</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. The borrower defaulted on the loan in 2015 and the City acquired the property that secured the note. The difference between the remaining principal balance of the notes and the value of the property (\$107,376) was charged to bad debt expenditures.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

- \$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.

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	\$ 5,803,106	\$ -
Utility billings	-	7,943,383
Allowance for uncollectible	(5,029,755)	(1,800,304)
Franchise fees	104,240	-
Other	1,200,522	6,777
	<hr/>	<hr/>
Total	\$ 2,078,113	\$ 6,149,856
	<hr/> <hr/>	<hr/> <hr/>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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>\$ 30,794,872</u>
<u>Unearned:</u>	
CDBG loan program	2,454,068
Library Live and Learn program	125,000
Grants	25,000
TIF repayment agreement	<u>2,000</u>
Total Unearned Revenue	<u>2,606,068</u>
Total	<u><u>\$ 33,400,940</u></u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2015 was as follows:

<u>Primary Government</u>	<u>Balance January 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31</u>
Government activities				
Capital assets not being depreciated				
Land	\$ 10,002,147	\$ 145,000	\$ -	\$ 10,147,147
CIP	<u>2,023,773</u>	<u>114,734</u>	<u>-</u>	<u>2,138,507</u>
Total Capital Assets Not Being Depreciated	<u>12,025,920</u>	<u>259,734</u>	<u>-</u>	<u>12,285,654</u>
Capital assets being depreciated				
Vehicles	7,887,453	1,041,884	365,214	8,564,123
Equipment	2,926,434	87,494	-	3,013,928
Land improvements	10,877,490	360,270	-	11,237,760
Buildings	15,816,727	-	-	15,816,727
Infrastructure	<u>54,501,684</u>	<u>830,415</u>	<u>-</u>	<u>55,332,099</u>
Total Capital Assets Being Depreciated	<u>92,009,788</u>	<u>2,320,063</u>	<u>365,214</u>	<u>93,964,637</u>
Less accumulated depreciation for				
Vehicles	4,344,620	588,340	308,369	4,624,591
Equipment	1,639,958	169,788	-	1,809,746
Land improvements	3,161,862	387,250	-	3,549,112
Buildings	4,902,426	399,636	-	5,302,062
Infrastructure	<u>36,489,669</u>	<u>2,279,159</u>	<u>-</u>	<u>38,768,828</u>
Total Accumulated Depreciation	<u>50,538,535</u>	<u>3,824,173</u>	<u>308,369</u>	<u>54,054,339</u>
Total Capital Assets Being Depreciated, Net	<u>41,471,253</u>	<u>(1,504,110)</u>	<u>56,845</u>	<u>39,910,298</u>
Total Government Activities	<u>\$ 53,497,173</u>	<u>\$ (1,244,376)</u>	<u>\$ 56,845</u>	<u>\$ 52,195,952</u>

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

<u>Function</u>	<u>Amount</u>
Government Activities	
General government	\$ 140,925
Public safety	702,984
Public works	2,715,822
Economic development	72,134
Culture and recreation	<u>192,308</u>
Total Governmental Activities	<u>\$ 3,824,173</u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

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>
Business-Type Activities				
Capital assets not being depreciated				
Land	\$ 24,600	\$ -	\$ -	\$ 24,600
CIP	<u>13,368</u>	<u>421,183</u>	<u>-</u>	<u>434,551</u>
Total Capital Assets Not Being Depreciated	<u>37,968</u>	<u>421,183</u>	<u>-</u>	<u>459,151</u>
Capital assets being depreciated				
Vehicles	331,890	397,657	-	729,547
Land improvements	251,291	-	-	251,291
Buildings	11,203,924	-	-	11,203,924
Equipment	137,343	-	-	137,343
Infrastructure	<u>115,727,005</u>	<u>1,710,418</u>	<u>-</u>	<u>117,437,423</u>
Total Capital Assets Being Depreciated	<u>127,651,453</u>	<u>2,108,075</u>	<u>-</u>	<u>129,759,528</u>
Less accumulated depreciation for				
Vehicles	193,140	35,392	-	228,532
Land improvements	251,291	-	-	251,291
Buildings	1,562,486	233,267	-	1,795,753
Equipment	61,803	13,734	-	75,537
Infrastructure	<u>93,427,030</u>	<u>3,709,248</u>	<u>-</u>	<u>97,136,278</u>
Total Accumulated Depreciation	<u>95,495,750</u>	<u>3,991,641</u>	<u>-</u>	<u>99,487,391</u>
Total Capital Assets Being Depreciated, Net	<u>32,155,703</u>	<u>(1,883,566)</u>	<u>-</u>	<u>30,272,137</u>
Total Business-Type Activities	<u>\$ 32,193,671</u>	<u>\$ (1,462,383)</u>	<u>\$ -</u>	<u>\$ 30,731,288</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	\$ 3,758,410
Parking garage	<u>233,231</u>
Total Business-Type Activities	<u>\$ 3,991,641</u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

D. Interfund Disclosures

Due To/From Other Funds:

Receivable Fund

Major Governmental Funds

<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund NSP	\$ 108,870	Reimburse Op. Acct.
General Fund MFT	178,304	Reimburse Op. Acct.
General Fund South Berwyn TIF	142,861	Reimburse Op. Acct.
General Fund Harlem TIF	483,785	Reimburse Op. Acct.
General Fund Ogden TIF	12,271	Reimburse Op. Acct.
General Fund Emergency 911	10	Reimburse Op. Acct.
General Fund Asset Forfeiture	141,567	Reimburse Op. Acct.
General Fund Utilities Bond	1,150,945	Reimburse Op. Acct.
Debt Service General Fund	922,305	Tax Collections

NonMajor Governmental Fund

Cermak TIF General Fund	285,265	Real property transfer
Roosevelt TIF General Fund	236,202	TIF Debt proceeds in op. acct
Grants General Fund	84,206	Grnt deposit in op. act.
Library General Fund	431,758	Tax Collections
CDBG General Fund	39,880	Transfer funded 2016
Infrastructure Bond General Fund	18,727	Cash held
Total Governmental Funds	4,236,957	

Parking Garage General Fund	942,287	Permit revenues
Internal Service General Fund	4,827,139	Reimbursement claims
Total	\$ 10,006,382	

All Interfund Balances are expected to be repaid during 2016.

Due To/From Fiduciary Funds:

<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
Police Pension General Fund	\$ 13,779	Tax Collections
Fire Pension General Fund	11,451	Tax Collections
Total	\$ 25,230	

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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 2016.

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>			
Debt Service Fund	Roosevelt Road TIF	\$ 269,999	Debt service
Debt Service Fund	Ogden Avenue TIF	410,000	Debt service
Debt Service Fund	South Berwyn TIF	<u>456,297</u>	Debt service
Total Debt Service Fund		<u>1,136,296</u>	
<u>NonMajor Governmental Funds</u>			
CDBG Fund	General Fund	<u>459,670</u>	Reimbursement of program expenditures
Total NonMajor Governmental Funds		<u>459,670</u>	
Total		<u>\$ 1,595,966</u>	

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

E. Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2015 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	\$ 132,148,859	\$ 35,885,203	\$ 3,910,000	\$ 164,124,062	\$ 4,070,000
Installment notes payable	620,642	-	155,161	465,481	193,951
Mortgage notes payable	2,077,979	300,000	635,491	1,742,488	250,197
Unamortized premiums	1,491,268	-	123,307	1,367,961	-
Unamortized (discounts)	<u>(477,238)</u>	<u>(296,884)</u>	<u>(36,473)</u>	<u>(737,649)</u>	<u>-</u>
Total Bonds and Notes Payable	135,861,510	35,888,319	4,787,486	166,962,343	4,514,148
Other liabilities					
Capital leases	355,082	766,860	362,018	759,924	276,708
Claims payable	2,670,585	2,245,187	1,598,985	3,316,787	747,894
Net pension liability	96,119,230	-	4,250,560	91,868,670	-
Net OPEB obligation	792,807	53,297	-	846,104	-
IMRF early retirement liability	339,246	-	149,463	189,783	-
Compensated absences	<u>4,313,422</u>	<u>336,566</u>	<u>299,809</u>	<u>4,350,179</u>	<u>837,513</u>
Total Other Liabilities	<u>104,590,372</u>	<u>3,401,910</u>	<u>6,660,835</u>	<u>101,331,447</u>	<u>1,862,115</u>
Total Governmental Long-Term Obligations	<u>\$ 240,451,882</u>	<u>\$ 39,290,229</u>	<u>\$ 11,448,321</u>	<u>\$ 268,293,790</u>	<u>\$ 6,376,263</u>
<u>Business-Type Activities</u>					
General obligation debt	\$ 4,960,000	\$ 1,880,000	\$ -	\$ 6,840,000	\$ 100,000
Unamortized premiums	70,405	190,369	9,456	251,318	-
Unamortized (discounts)	(39,303)	-	(2,179)	(37,124)	-
Capital leases	-	255,779	61,329	194,450	63,041
Net pension liability	188,743	83,325	-	272,068	-
Compensated absences	<u>101,754</u>	<u>17,485</u>	<u>15,916</u>	<u>103,323</u>	<u>49,328</u>
Total Business-Type Long Term Obligations	<u>\$ 5,281,599</u>	<u>\$ 2,426,958</u>	<u>\$ 84,522</u>	<u>\$ 7,624,035</u>	<u>\$ 212,369</u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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.

General obligation bonds currently outstanding are as follows:

<u>Governmental Activities</u>	<u>Date of</u>	<u>Interest</u>	<u>Final</u>	<u>Original</u>	<u>Balance</u>
General obligation debt	<u>Issue</u>	<u>Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>12/31/2015</u>
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	5,900,000
	10/28/10	2.00-5.00%	12/01/30	9,150,000	8,400,000
	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
	06/16/15	4.25-6.00%	12/01/35	31,000,000	31,000,000
	11/30/15	3.75-5.00%	12/01/35	4,845,000	4,845,000
Capital appreciation bonds	04/03/02	3.00-5.25%	12/01/16	1,335,140	394,062
Taxable bonds	08/15/07	5.62-5.71%	12/01/22	21,395,000	18,370,000
	10/31/13	3.55-5.30%	12/01/23	30,350,000	30,350,000
Total Governmental Activities General Obligation Debt					<u>\$ 164,124,062</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
	11/30/2015	3.75-5.00%	12/01/32	1,880,000	1,880,000
Total Business-Type Activities General Obligation Debt					<u>\$ 6,840,000</u>

The City reviews federal arbitrage requirements annually and has determined that no liability for rebatable arbitrage exists at December 31, 2015.

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, 2015 was \$465,481. Principal payments made in 2015 totaled \$155,161. Debt service on the agreement is an expenditure of the South Berwyn Corridor TIF Fund.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Mortgage Notes Payable: The City entered into a \$4,000,000 loan on December 6, 2010 for the purchase of certain real property. The note matured on December 6, 2012 at which time the note was modified to extend the maturity date to December 6, 2017. Monthly principal and interest payments at a rate of 2% based on a 10 year amortization schedule are due on the 6th day of each month. The total amount outstanding under the agreement at December 31, 2015 was \$1,442,488. Principal payments made in 2015 totaled \$635,491. Debt service on the agreement is an expenditure of the Ogden Avenue TIF Fund.

The City obtained a \$300,000 loan from the BDC in 2015 secured by land held for resale in the Roosevelt Road TIF. The loan does not bear interest and is due upon the sale of the property.

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

	<u>Governmental Activities General Obligation Debt</u>		<u>Business-Type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 3,655,000	\$ 7,880,103	\$ 100,000	\$ 290,845
2017	3,815,000	7,718,248	125,000	284,600
2018	19,325,000	7,537,006	150,000	280,537
2019	4,310,000	6,802,403	150,000	275,288
2020	4,545,000	6,557,700	175,000	269,662
2021-2025	45,440,000	27,337,166	1,375,000	1,220,688
2026-2030	44,820,000	15,237,226	3,055,000	825,787
2031-2035	37,820,000	5,066,894	1,710,000	176,963
Totals	<u>\$ 163,730,000</u>	<u>\$ 84,136,746</u>	<u>\$ 6,840,000</u>	<u>\$ 3,624,370</u>

The annual requirements to amortize to maturity capital appreciation bonds outstanding as of December 31, 2015 are as follows:

	<u>Principal</u>	<u>Interest Accretion</u>
2016	<u>415,000</u>	<u>20,938</u>
	<u>\$ 415,000</u>	<u>\$ 20,938</u>

Increases to general obligation debt in 2015 include the current year interest accretion for capital appreciation bonds of \$40,203 and the issuance of the 2015A General Obligation Bonds of \$31,000,000 and the 2015B General Obligations Bonds of \$4,845,000.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

	Government Activities	
	Notes Payable	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 405,358	\$ 65,996
2017	1,347,450	45,297
2018	<u>455,161</u>	<u>12,801</u>
Totals	<u>\$ 2,207,969</u>	<u>\$ 124,094</u>

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%. No outstanding balance remained as of December 31, 2015. Principal payments made in 2015 totaled \$70,365. 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%. No outstanding balance remained as of December 31, 2015. Principal payments made in 2015 totaled \$48,400. 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, 2015 was \$106,693. Principal payments made in 2015 totaled \$50,794. Debt service on the agreement is an expenditure of the General Fund.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

The City entered into a \$120,000 lease financing agreement in February, 2014 for the purchase of a dump truck which is 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, 2015 was \$39,989. Principal payments made in 2015 totaled \$38,843. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$314,273 lease financing agreement in December, 2015 for the purchase of a street sweeper which is included in the capital assets of the governmental activities. The balance of the financed amount is due in annual installments, including interest at 3.25%. The total amount outstanding under the agreement at December 31, 2015 was \$257,263. Principal payments made in 2015 totaled \$56,910. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$258,950 lease financing agreement in May, 2015 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 semi-annual installments, including interest at 2.69%. The total amount outstanding under the agreement at December 31, 2015 was \$217,220. Principal payments made in 2015 totaled \$41,730. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$106,243 lease financing agreement in January, 2015 for the purchase of a dump truck which is included in the capital assets of the governmental activities. The balance of the financed amount is due in annual installments, including interest at 3.93%. The total amount outstanding under the agreement at December 31, 2015 was \$69,440. Principal payments made in 2015 totaled \$36,803. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$87,494 lease financing agreement in June, 2015 for the purchase of a Cisco Core Upgrade which is included in the capital assets of the governmental activities. The balance of the financed amount is due in annual installments, including interest at 4.50%. The total amount outstanding under the agreement at December 31, 2015 was \$69,319. Principal payments made in 2015 totaled \$18,175. Debt service on the agreement is an expenditure of the General Fund.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

The City entered into a \$255,779 lease financing agreement in May, 2014 for the purchase of a Vactor sewer vacuum/jetter which is included in the capital assets of the Utilities Fund (business type activities). The balance of the financed amount is due in annual installments, including interest at 2.79%. The total amount outstanding under the agreement at December 31, 2015 was \$194,450. Principal payments made in 2015 totaled \$61,329. Debt service on the agreement is an expenditure of the Utility Fund.

The assets acquired through capital lease for use in governmental activities are as follows:

<u>Asset</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Vehicles	\$1,641,644	\$453,914	\$1,187,730
Equipment	87,494	2,916	84,578

The assets acquired through capital lease for use in business-type activities are as follows:

<u>Asset</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Vehicles	\$324,247	\$10,808	\$313,439

The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2015, are as follows:

	<u>Governmental Activities Capital Leases Payable</u>	
	<u>Principal</u>	<u>Interest Accretion</u>
2016	\$ 339,749	\$ 29,056
2017	308,857	18,780
2018	180,620	8,989
2019	71,756	4,173
2020	53,392	1,735
Totals	<u>\$ 954,374</u>	<u>\$ 62,733</u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Net Pension Liability and Net OPEB Obligation:

The net pension liability and net Other Post-Employment Benefits (OPEB) obligation are based on actuarial valuations as detailed in Note 3G & H. The net pension liability 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.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Advance and Current Refundings:

Current Year Refunding of Debt

On November 30, 2015, the City issued \$6,725,000 in tax-exempt bonds with an average interest rate of 4.09% 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>
2007A	\$ -	\$ 704,125	\$ 704,125
2008	-	180,136	180,136
2009 (Oct)	-	97,020	97,020
2009 (Dec)	1,820,000	139,425	1,959,425
2010A	148,266	225,484	373,750
2011A	-	158,844	158,844
2012A	-	138,798	138,798
Bank Loan	<u>989,873</u>	<u>11,136</u>	<u>1,001,009</u>
Total	<u>\$ 2,958,139</u>	<u>\$ 1,654,968</u>	<u>\$ 4,613,107</u>

The cash flow requirements on the refunded bonds prior to the refunding were \$4,613,107 in 2015. The cash flow requirements on the portion of the 2015 tax exempt bonds used to refund the bonds are \$8,340,088 from 2016 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, \$1,880,000 of the issuance will be directed toward the City's utility fund for infrastructure improvements.

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 2015 was \$2,173 which is reported in the governmental activities. The balance of the unamortized loss at December 31, 2015 was \$0.

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, 2015, there was one series of IDRBs outstanding. The aggregate principal amount payable for the IDRBs outstanding as of December 31, 2015 was \$696,664.

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, 2015 was \$3,316,787 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.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

	<u>Beginning Balance</u>	<u>Incurred Claims</u>	<u>Claims Paid/ Settled</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2014	\$ 3,531,548	\$ 343,303	\$ (1,204,266)	\$ 2,670,585	\$ 557,585
2015	2,670,585	2,245,187	(1,598,985)	3,316,787	747,894

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 2015, 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, 2015 is \$1,865,128. Of this balance, \$765,482 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.

Commitments: In 2015, the City entered into a lease to finance the acquisition of a fire truck in the amount of \$478,528. As of December 31, 2015, the City has not taken delivery of the vehicle. Delivery is expected in 2016. Because there are provisions in the lease to reimburse all

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

parties and cancel the lease in the event that the manufacturer does not deliver the vehicle, neither the capital asset nor the lease liability has been reflected in the financial statements as of year end.

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.

Eligibility for these benefits as of December 31, 2015 was as follows:

<u>Membership</u>	<u>Participants</u>
Retirees and beneficiaries currently receiving benefits	40
Current employees	
Vested	54
Nonvested	<u>306</u>
Total	<u><u>400</u></u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Actuarial Assumptions and Methods:

Actuarial valuation date	January 1, 2015
Actuarial cost method	Entry-age normal
Asset valuation method	Not Applicable
Amortization method	Level percentage of pay, open
Remaining amortization period	30 Years
Discount rate	4.0%
Projected healthcare inflation rate	17.5% initial and 5.5% ultimate
Percentage of employees assumed to elect benefit	Police 20%; Fire 30%; IMRF 20%

Net OPEB Obligation

The City's annual OPEB cost and net OPEB obligation for the year ended December 31, 2015 was as follows:

Annual required contributions	\$ 626,627
Interest on net OPEB obligation	31,712
Adjustment to annual required contribution	<u>(26,426)</u>
Annual OPEB cost	631,913
Contributions made	<u>578,616</u>
Increase in net OPEB obligation	53,297
Net OPEB obligation beginning of year	<u>792,807</u>
Net OPEB obligation end of year	<u><u>\$ 846,104</u></u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

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>2013</u>	<u>2014</u>	<u>2015</u>
Annual OPEB cost	\$ 217,036	\$ 383,861	\$ 631,913
Actual contribution	348,386	512,560	578,616
Percentage of annual OPEB cost contributed	160.50%	133.53%	92.00%
Net OPEB obligation	921,506	792,807	846,104

Funded Status and Funding Progress

The funded status and funding progress of the plan as of December 31, 2015 was as follows:

Actuarial accrued liability	\$ 12,399,201
Actuarial value of assets	-
Unfunded actuarial accrued liability (UAL)	12,399,201
Funded ratio	0.00%
Covered Payroll	25,306,118
UAAL as a percentage of covered payroll	49.00%

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.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

H. Defined Benefit Pension Plans

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.

Below is aggregate information related to all of the pension plans in total reported by the City as of and for the year ended December 31, 2015:

Total Pension Liability	\$ 253,959,878
Plan Fiduciary Net Position	<u>161,819,140</u>
City's net pension liability	<u>92,140,738</u>
Deferred Inflows of Resources	\$ 677,150
Deferred Outflows of Resources	20,213,594
Pension Expense	11,824,343

Illinois Municipal Retirement Fund (IMRF) & Sheriff's Law Enforcement Personnel (SLEP)

General Information about the Pension Plan

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

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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 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%.

At December 31, 2014, the following employees were covered by the benefit terms:

	<u>IMRF</u>	<u>SLEP</u>
Retirees and Beneficiaries	152	0
Inactive, Non-retired Members	163	1
Active Members	<u>188</u>	<u>1</u>
Total	503	2

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Net Pension Liability

The City's net pension liability for the IMRF and SLEP plans was measured as of December 31, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	3.5%
Price Inflation:	2.75%
Salary Increases:	3.75% to 14.50% including inflation
Investment Rate of Return:	7.5%

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

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

There were no benefit changes during the year.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Domestic Equity	38.0%	7.60%
International Equity	17.0%	7.80%
Fixed Income	27%	3.00%
Real Estate	8%	6.15%
Alternative Investments	9%	5.25-8.50%
Cash Equivalents	1%	2.25%
	<u>100%</u>	

Single Discount Rate: A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.56%, and the resulting single discount rate is 7.50%.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Changes in the Net Pension Liability

IMRF:

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2013	\$ 38,544,639	\$ 36,841,862	\$ 1,702,777
Changes for the year:			
Service Cost	1,033,322	-	1,033,322
Interest on the Total Pension Liability	2,866,257	-	2,866,257
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(899,200)	-	(899,200)
Changes of Assumptions	1,484,918	-	1,484,918
Contributions - Employer	-	1,125,047	(1,125,047)
Contributions - Employees	-	399,259	(399,259)
Net Investment Income	-	2,242,328	(2,242,328)
Benefit Payments, including Refunds of Employee Contributions	(1,689,075)	(1,689,075)	-
Other (Net Transfer)	-	(33,365)	33,365
Net Changes	<u>2,796,222</u>	<u>2,044,194</u>	<u>752,028</u>
Balances at December 31, 2014	<u>\$ 41,340,861</u>	<u>\$ 38,886,056</u>	<u>\$ 2,454,805</u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

SLEP:

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2013	\$ 222,034	\$ 212,244	\$ 9,790
Changes for the year:			
Service Cost	24,781	-	24,781
Interest on the Total Pension Liability	17,582	-	17,582
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(7,879)	-	(7,879)
Changes of Assumptions	7,511	-	7,511
Contributions - Employer	-	17,146	(17,146)
Contributions - Employees	-	9,764	(9,764)
Net Investment Income	-	13,768	(13,768)
Benefit Payments, including Refunds of Employee Contributions	-	-	-
Other (Net Transfer)	-	(1,590)	1,590
Net Changes	41,995	39,088	2,907
Balances at December 31, 2014	<u>\$ 264,029</u>	<u>\$ 251,332</u>	<u>\$ 12,697</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
IMRF Net Pension Liability	\$ 7,957,385	\$ 2,454,805	\$ (2,047,667)
SLEP Net Pension Liability	47,737	12,697	(16,539)

CITY OF BERWYN, ILLINOISNotes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2015, the City recognized pension expense of \$919,235 related to IMRF and \$15,868 related to SLEP. At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

IMRF

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 671,243
Changes of assumptions	1,108,475	-
Net difference between projected and actual earnings on pension plan investments	410,706	-
Total Deferred Amounts to be recognized in pension expense in future periods	<u>1,519,181</u>	<u>671,243</u>
Pension Contributions made subsequent to the Measurement Date	1,234,949	-
Total Deferred Amounts Related to Pensions	<u>\$ 2,754,130</u>	<u>\$ 671,243</u>

SLEP

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 5,907
Changes of assumptions	5,631	-
Net difference between projected and actual earnings on pension plan investments	2,480	-
Total Deferred Amounts to be recognized in pension expense in future periods	<u>8,111</u>	<u>5,907</u>
Pension Contributions made subsequent to the Measurement Date	19,127	-
Total Deferred Amounts Related to Pensions	<u>\$ 27,238</u>	<u>\$ 5,907</u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

Year Ended <u>December 31</u>	<u>IMRF</u>	<u>SLEP</u>
2016	\$ 1,486,111	\$ 19,655
2017	251,162	528
2018	242,936	528
2019	102,678	620
2020	-	-
Thereafter	-	-

Police Pension Plan

General Information about the 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.

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.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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, 2015, the City's contribution was 180.01% of covered payroll.

At December 31, 2015, the Police Pension Plan membership consisted of:

<u>Membership</u>	<u>Participants</u>
Retirees and beneficiaries currently receiving benefits	76
Terminated employees entitled to benefits but not yet receiving them	0
Current employees	<u>107</u>
Total	<u><u>183</u></u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Net Pension Liability

The City's net pension liability for the Police Pension Plan was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The actuarial cost method was entry age normal with a level percent of pay.

Actuarial Assumptions: The following actuarial assumptions were used to determine the total pension liability in the December 31, 2015 actuarial valuation and the prior valuation:

	<u>Current Valuation</u>	<u>Prior Valuation</u>
Interest Rate	6.75%	6.75%
Discount Rate	6.75%	6.65%
Salary Increases	3.50%-17.14%	5.25%-15.00%
Projected Increase in Payroll	3.50%	4.00%
Inflation	2.50%	3.00%

Mortality rates for the December 31, 2015 actuarial valuation are based on the assumption study prepared by Lauterbach & Amen, LLP in 2016. The table combines observed experience of Illinois Police Officers with the RP-2014 mortality table for blue collar workers. Mortality improvements have been made to 5 years past the valuation date. The prior valuation was based on the 2012 study prepared by Lauterbach & Amen, LLP.

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

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Domestic Equity	33%	7.80%
International Equity	24%	7.70%
Fixed Income	38%	2.20%
REITs	3%	7.30%
Cash Equivalents	2%	0.70%
	<u>100%</u>	

Single Discount Rate: A Single Discount Rate of 6.75% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The longer term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20 year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (for the future benefit payments that are not covered by the plan's projected net position).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 6.75%, the municipal bond rate is 3.57% and the resulting single discount rate is 6.75%. The assumed rate on High Quality 20 Year Tax Exempt G.O. Bonds was changed from 3.56% to 3.57% for the current year. The rate has been updated to the current fiscal year based on changes in market conditions as reflected in the Index. The discount rate was changed from 6.65% to 6.75%. The discount rate was not impacted by the change in the underlying High Quality 20 Year Tax Exempt G.O. Bond Rate as the fiduciary net position was projected to be sufficient to pay benefits. In addition, changes made that impact the projection of the Net Position of the fund such as changes in the formal or informal funding policy and actual changes in the net position from one year to the next can impact the discount rate.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 109,041,747	\$ 62,097,005	\$ 46,944,742
Changes for the year:			
Service Cost	2,066,074	-	2,066,074
Interest on the Total Pension Liability	7,211,847	-	7,211,847
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	1,491,310	-	1,491,310
Changes of Assumptions	1,925,792	-	1,925,792
Contributions - Employer	-	16,745,210	(16,745,210)
Contributions - Employees	-	956,689	(956,689)
Net Investment Income	-	(1,761,769)	1,761,769
Benefit Payments, including Refunds of Employee Contributions	(4,399,148)	(4,399,148)	-
Other (Net Transfer)	-	(74,978)	74,978
Net Changes	8,295,875	11,466,004	(3,170,129)
Balances at December 31, 2015	<u>\$ 117,337,622</u>	<u>\$ 73,563,009</u>	<u>\$ 43,774,613</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following presents the net pension liability related to the police pension plan of the City calculated using the discount rate of 6.75% as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$61,724,339	\$ 43,774,613	\$ 29,217,321

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued Police Pension Fund report.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

For the year ended December 31, 2015, the City recognized pension expense of \$5,503,089 related to the police pension plan. At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,288,410	\$ -
Changes of assumptions	1,663,779	-
Net difference between projected and actual earnings on pension plan investments	<u>5,119,803</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 8,071,992</u>	<u>\$ -</u>

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

<u>Year Ended December 31</u>	
2016	\$ 1,744,864
2017	1,744,864
2018	1,744,864
2019	1,744,863
2020	464,913
Thereafter	627,624

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Firefighters' Pension Plan

General Information about the 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.

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.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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, 2015 the City's contribution was 232.21% of covered payroll.

At December 31, 2015, the Firefighters' 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	-
Current employees	<u>80</u>
Total	<u>155</u>

Net Pension Liability

The City's net pension liability for the Firefighters' Pension Plan was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The actuarial cost method was entry age normal with a level percent of pay.

Actuarial Assumptions: The following actuarial assumptions were used to determine the total pension liability in the December 31, 2015 actuarial valuation and the prior valuation:

	<u>Current Valuation</u>	<u>Prior Valuation</u>
Interest Rate	6.50%	6.50%
Discount Rate	6.50%	6.50%
Salary Increases	3.50%-35.76%	5.00%
Projected Increase in Payroll	3.50%	5.00%
Inflation	2.50%	3.00%

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Mortality rates for the December 31, 2015 actuarial valuation are based on the assumption study prepared by Lauterbach & Amen, LLP in 2016. The table combines observed experience of Illinois Firefighters with the RP-2014 mortality table for blue collar workers. Mortality improvements have been made to 5 years past the valuation date. The prior valuation was based on the 2012 study prepared by Lauterbach & Amen, LLP.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Domestic Equity	33%	7.80%
International Equity	24%	7.70%
Fixed Income	38%	2.20%
REITs	3%	7.30%
Cash Equivalents	2%	0.70%
	<u>100%</u>	

Single Discount Rate: A Single Discount Rate of 6.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The longer term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
 2. The tax-exempt municipal bond rate based on an index of 20 year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (for the future benefit payments that are not covered by the plan's projected net position).
-

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

For the purpose of the most recent valuation, the expected rate of return on plan investments is 6.50%, the municipal bond rate is 3.57% and the resulting single discount rate is 6.50%. Since the fiduciary net position was projected to be sufficient to pay benefits, the municipal bond rate did not impact the discount rate and the expected rate of return on plan investments was used.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 85,443,581	\$ 37,792,917	\$ 47,650,664
Changes for the year:			
Service Cost	1,752,238	-	1,752,238
Interest on the Total Pension Liability	5,413,467	-	5,413,467
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual			
Experience of the Total Pension Liability	1,050,247	-	1,050,247
Changes of Assumptions	5,676,793	-	5,676,793
Contributions - Employer	-	16,498,436	(16,498,436)
Contributions - Employees	-	664,862	(664,862)
Net Investment Income	-	(1,457,332)	1,457,332
Benefit Payments, including Refunds of Employee Contributions	(4,318,960)	(4,318,960)	-
Other (Net Transfer)	-	(61,180)	61,180
Net Changes	9,573,785	11,325,826	(1,752,041)
Balances at December 31, 2015	<u>\$ 95,017,366</u>	<u>\$ 49,118,743</u>	<u>\$ 45,898,623</u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following presents the net pension liability related to the firefighters' pension plan of the City calculated using the discount rate of 6.50% as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate:

	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase (7.5%)
Net Pension Liability	\$59,350,182	\$ 45,898,622	\$ 34,878,870

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued Firefighters' Pension Fund report.

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

For the year ended December 31, 2015, the City recognized pension expense of \$5,386,161 related to the firefighters' pension plan. At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 925,068	\$ -
Changes of assumptions	5,000,178	-
Net difference between projected and actual earnings on pension plan investments	<u>3,434,988</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 9,360,234</u>	<u>\$ -</u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

Year Ended	
<u>December 31</u>	
2016	\$ 1,660,542
2017	1,660,542
2018	1,660,542
2019	1,660,538
2020	801,794
Thereafter	1,916,276

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 2015. The outstanding balance of \$189,783 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 2015 were as follows:

<u>Balance January 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31</u>
\$ -	\$989,873	\$989,873	\$ -

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

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.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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, 2015 amounted to \$7,960. During the year, the BDC did not dispose of any property. The BDC expended \$1,958 for asset purchases in 2015.

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.

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	<u>\$ 1,541,367</u>	<u>\$ 1,541,367</u>	Custodial credit risk
Total	<u>\$ 1,541,367</u>	<u>\$ 1,541,367</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, 2015, \$1,291,367 of the BDC's demand deposits were uninsured and uncollateralized.

Notes Receivable: There are currently nine notes funded through the line of credit including two from the City payable from the Depot TIF with a balance at December 31, 2015 of \$465,482 and the Roosevelt TIF with a balance at December 31, 2015 of \$300,000. Notes receivable have a gross value of \$1,971,932 at December 31, 2015. No provision for loan losses has been

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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%	9/30/2018	\$38,790 + Int.	Quarterly	\$ 465,482
None	Date of Sale	300,000	One	300,000
Prime	4/24/2019	3,236	Monthly	118,974
Prime + 1%	10/28/2018	1,555	Monthly	40,346
Prime + 2%	9/1/2030	4,162	Monthly	459,946
Prime + 2%	3/11/2016	1,766	Monthly	197,525
Prime + 2%	8/29/2018	1,273	Monthly	154,490
Prime + 2%	9/11/2016	1,122	Monthly	85,169
Fixed 7%	1/1/2021	1,348	Monthly	<u>150,000</u>
Total				<u>\$ 1,971,932</u>

Long-Term Debt - Notes Payable: During 2015, 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, 2015 is \$1,865,128. 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>
2016	\$ -
2017	799,533
2018	-
2019	1,065,595
2020	-
2021 Thereafter	-
Totals	<u>\$ 1,865,128</u>

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Lease Commitments: The BDC rents office space under a lease, which extends through December 31, 2019. Total rent paid during 2015 was \$12,720. Terms of the lease are effective January 1, 2015. In addition, the BDC leases a copier under a non-cancelable operating lease, which expires in 2017. Total lease expense in 2015 was \$17,121. Future minimum annual rental and lease payments are:

	<u>Principal</u>
2016	\$ 30,892
2017	23,949
2018	12,720
2019	12,720
2020	-
Totals	<u>\$ 80,281</u>

Restricted Cash: The BDC controls cash escrow accounts for various entities with the purpose of being a control factor for 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 \$14,409 in 2015.

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 increment financing projects (TIF) within the City's four TIF Redevelopment Districts on behalf and for the benefit of the City.

CITY OF BERWYN, ILLINOIS

Notes to financial statements
December 31, 2015

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

K. Restatement of Beginning Net Position

In 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which resulted in the restatement of beginning net position for governmental activities, business-type activities and the Utility Fund. The restatement was necessary to establish the net pension liability at December 31, 2014 in accordance with the new standard and to remove the net pension asset and net pension obligation that was previously required under the former standards. The effect of the restatement is as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Utility Fund</u>
Beginning Net Position as Previously Reported	\$ (45,749,367)	\$ 32,818,794	\$ 22,656,200
Remove: Net Pension Asset	(16,289,071)	-	-
Net Pension Obligation	229,119	24,349	24,349
Add: Beginning Net Pension Liability	(96,119,230)	(188,743)	(188,743)
Beginning Deferred Outflow	<u>1,017,488</u>	<u>124,705</u>	<u>124,705</u>
Beginning Net Position as Restated	<u>\$ (156,911,061)</u>	<u>\$ 32,779,105</u>	<u>\$ 22,616,511</u>

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, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Property taxes	\$ 20,569,170	\$ 20,569,170	\$ 20,667,998	\$ 98,828
Other taxes	17,781,000	17,781,000	20,259,884	2,478,884
Licenses and permits	3,244,000	3,244,000	3,692,357	448,357
Charges for services	1,651,550	1,651,550	1,616,795	(34,755)
Fines and forfeitures	5,110,000	5,110,000	5,499,850	389,850
Intergovernmental	102,000	102,000	112,295	10,295
Investment income	35,000	35,000	58,364	23,364
Miscellaneous	<u>1,004,736</u>	<u>1,004,736</u>	<u>1,306,005</u>	<u>301,269</u>
Total Revenues	<u>49,497,456</u>	<u>49,497,456</u>	<u>53,213,548</u>	<u>3,716,092</u>
EXPENDITURES				
Current				
General government	3,733,874	3,825,874	4,014,184	(188,310)
Public safety	67,243,955	67,145,455	65,801,086	1,344,369
Public works	6,527,756	6,952,756	6,262,852	689,904
Economic development	231,847	264,347	237,417	26,930
Culture and recreation	1,885,496	1,946,496	1,931,462	15,034
Debt Service				
Bond issuance costs	<u>500,000</u>	<u>500,000</u>	<u>853,833</u>	<u>(353,833)</u>
Total Expenditures	<u>80,122,928</u>	<u>80,634,928</u>	<u>79,100,834</u>	<u>1,534,094</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(30,625,472)</u>	<u>(31,137,472)</u>	<u>(25,887,286)</u>	<u>5,250,186</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	2,500	2,500	12,514	10,014
Capital lease proceeds	-	512,000	766,860	254,860
Bond proceeds	30,500,000	30,500,000	31,000,000	500,000
Discount on bond issue	-	-	(232,041)	(232,041)
Transfers in	750,000	750,000	-	(750,000)
Transfers (out)	<u>(459,670)</u>	<u>(459,670)</u>	<u>(459,670)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>30,792,830</u>	<u>31,304,830</u>	<u>31,087,663</u>	<u>(217,167)</u>
 NET CHANGE IN FUND BALANCE	 <u>\$ 167,358</u>	 <u>\$ 167,358</u>	 5,200,377	 <u>\$ 5,033,019</u>
 FUND BALANCE, JANUARY 1			 14,316,506	
 FUND BALANCE, DECEMBER 31			 <u><u>\$ 19,516,883</u></u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN CITY NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2015

Last 10 Fiscal Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Total pension liability										
Service cost	\$ 1,033,322	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	2,866,257	-	-	-	-	-	-	-	-	-
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(899,200)	-	-	-	-	-	-	-	-	-
Changes of Assumptions	1,484,918	-	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,689,075)	-	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	<u>2,796,222</u>	-	-	-	-	-	-	-	-	-
Total Pension Liability - Beginning	<u>38,544,639</u>	-	-	-	-	-	-	-	-	-
Total Pension Liability - Ending (a)	<u>\$ 41,340,861</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan Fiduciary Net Position										
Contributions - employer	\$ 1,125,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - member	399,259	-	-	-	-	-	-	-	-	-
Net Investment Income	2,242,328	-	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,689,075)	-	-	-	-	-	-	-	-	-
Other	(33,365)	-	-	-	-	-	-	-	-	-
Net Change in Fiduciary Net Position	<u>2,044,194</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan Fiduciary Net Position - Beginning	<u>36,841,862</u>	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ 38,886,056</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 2,454,805</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$ 8,768,878	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability as a Percentage of Covered-Employee Payroll	27.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

Information is presented for those years for which it was available

See independent auditor's report.

CITY OF BERWYN, ILLINOIS
IMRF - SHERIFF'S LAW ENFORCEMENT PERSONNEL
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN CITY NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2015

Last 10 Fiscal Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Total pension liability										
Service cost	\$ 24,781	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	17,582	-	-	-	-	-	-	-	-	-
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(7,879)	-	-	-	-	-	-	-	-	-
Changes of Assumptions	7,511	-	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	-	-	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	41,995	-	-	-	-	-	-	-	-	-
Total Pension Liability - Beginning	222,034	-	-	-	-	-	-	-	-	-
Total Pension Liability - Ending (a)	\$ 264,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Fiduciary Net Position										
Contributions - employer	\$ 17,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - member	9,764	-	-	-	-	-	-	-	-	-
Net Investment Income	13,768	-	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	-	-	-	-	-	-	-	-	-	-
Other	(1,590)	-	-	-	-	-	-	-	-	-
Net Change in Fiduciary Net Position	\$ 39,088	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Fiduciary Net Position - Beginning	212,244	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	\$ 251,332	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability - Ending (a)-(b)	\$ 12,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	95.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$ 130,189	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability as a Percentage of Covered-Employee Payroll	9.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:
Information is presented for those years for which it was available

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS
POLICE PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN CITY NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2015**

Last 10 Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total pension liability										
Service cost	\$ 2,066,074	\$ 2,393,246	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	7,211,847	6,784,103	-	-	-	-	-	-	-	-
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	1,491,310	-	-	-	-	-	-	-	-	-
Changes of Assumptions	1,925,792	-	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(4,395,148)	(4,304,379)	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	8,295,875	4,872,970	-	-	-	-	-	-	-	-
Total Pension Liability - Beginning	109,041,747	104,168,777	-	-	-	-	-	-	-	-
Total Pension Liability - Ending (a)	\$ 117,337,622	\$ 109,041,747	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Fiduciary Net Position										
Contributions - employer	\$ 16,745,210	\$ 1,936,262	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - member	956,689	1,227,194	-	-	-	-	-	-	-	-
Net Investment Income	(1,761,769)	1,788,907	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(4,399,148)	(4,304,379)	-	-	-	-	-	-	-	-
Administrative Expense	(74,978)	(74,328)	-	-	-	-	-	-	-	-
Net Change in Fiduciary Net Position	\$ 11,465,004	\$ 573,656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Fiduciary Net Position - Beginning	62,097,005	61,523,349	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	\$ 73,563,009	\$ 62,097,005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability - Ending (a)-(b)	\$ 43,774,613	\$ 46,944,742	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.69%	56.95%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$ 9,302,154	\$ 9,358,883	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability as a Percentage of Covered-Employee Payroll	470.59%	501.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

In 2015, the changes of assumptions resulted from a study of police officers and police pension funds in Illinois that impacted mortality rates, mortality improvement rates, retirement rates, disability rates and termination rates. Information is presented for those years for which it was available

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS
FIREFIGHTERS' PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN CITY NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2015**

Last 10 Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total pension liability										
Service cost	\$ 1,752,238	\$ 2,103,135	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	5,413,467	5,212,528	-	-	-	-	-	-	-	-
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	1,050,247	-	-	-	-	-	-	-	-	-
Changes of Assumptions	5,676,793	-	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(4,318,960)	(4,129,646)	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	9,573,785	3,186,017	-	-	-	-	-	-	-	-
Total Pension Liability - Beginning	85,443,581	82,257,564	-	-	-	-	-	-	-	-
Total Pension Liability - Ending (a)	<u>\$ 95,017,366</u>	<u>\$ 85,443,581</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan Fiduciary Net Position										
Contributions - employer	\$ 16,498,436	\$ 2,036,569	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - member	664,862	639,271	-	-	-	-	-	-	-	-
Net Investment Income	(1,457,332)	1,798,667	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(4,318,960)	(4,129,645)	-	-	-	-	-	-	-	-
Administrative Expense	(61,180)	(64,139)	-	-	-	-	-	-	-	-
Net Change in Fiduciary Net Position	\$ 11,325,826	\$ 280,723	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Fiduciary Net Position - Beginning	37,792,917	37,512,194	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ 49,118,743</u>	<u>\$ 37,792,917</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Pension Liability - Ending (a)-(b)	\$ 45,898,623	\$ 47,650,664	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	51.69%	44.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$ 7,104,897	\$ 6,934,001	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability as a Percentage of Covered-Employee Payroll	646.01%	687.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

In 2015, the changes of assumptions resulted from a study of firefighters and fire pension funds in Illinois that impacted mortality rates, mortality improvement rates, retirement rates, disability rates and termination rates. Information is presented for those years for which it was available

See independent auditor's report.

CITY OF BERWYN, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
DECEMBER 31, 2015

Last 10 Fiscal Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarially Determined Contribution	\$ 1,125,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contribution	1,125,047	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	8,768,878	-	-	-	-	-	-	-	-	-
Covered-Employee Payroll	12.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contributions as a Percentage of Covered-Employee Payroll										

Notes to Schedule:

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported
Actuarial Cost Method: Aggregate entry age normal
Amortization Method: Level percentage of payroll, closed
Remaining Amortization Period: 29-year closed period
Asset Valuation Method: 5-year smoothed market; 20% corridor
Inflation: 3%
Salary Increases: 4.4% to 16%, including inflation
Investment Rate of Return: 7.5%
Retirement Age: Experience based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010
Mortality: RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used.
Other Information: There were no benefit changes during the year
Information is presented for those years for which it was available

See independent auditor's report.

CITY OF BERWYN, ILLINOIS
IMRF - SHERIFF'S LAW ENFORCEMENT PERSONNEL
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
DECEMBER 31, 2015

Last 10 Fiscal Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarially Determined Contribution	\$ 17,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contribution	17,146	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	130,189	-	-	-	-	-	-	-	-	-
Covered-Employee Payroll	13.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported
Actuarial Cost Method: Aggregate entry age normal
Amortization Method: Level percentage of payroll, closed
Remaining Amortization Period: 29-year closed period
Asset Valuation Method: 5-year smoothed market; 20% corridor
Inflation: 3%
Salary Increases: 4.4% to 16%, including inflation
Investment Rate of Return: 7.5%
Retirement Age: Experience based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010
Mortality: RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used.
Other Information: There were no benefit changes during the year
Information is presented for those years for which it was available

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS
POLICE PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
DECEMBER 31, 2015**

Last 10 Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Actuarially Determined Contribution Contributions in Relation to the Actuarially Determined Contribution	\$ 3,812,119	\$ 4,423,550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution Deficiency (Excess)	16,745,210	1,936,262	-	-	-	-	-	-	-	-
Covered-Employee Payroll	(12,933,091)	2,487,288	-	-	-	-	-	-	-	-
Contributions as a Percentage of Covered-Employee Payroll	180.01%	20.69%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

The actuarially determined contribution is from the December 31, 2013 actuary's report

Actuarial Cost Method: Entry age normal with a level percentage of pay

Asset Valuation Method: Market value

Inflation: 2.5%

Projected Increase in Total Payroll: 3.5%

Investment Rate of Return: 6.75%

Retirement Rates: Based on the Lauterbach & Amen, LLP 2016 Illinois Police Retirement Rates 85% Capped at age 62

Mortality: In the 2015 valuation, mortality rates are based on the assumption study prepared by Lauterbach & Amen, LLP in 2016. Mortality improvements have been made to 5 years past

the valuation date. The 2014 valuation was based on the 2012 study prepared by Lauterbach & Amen, LLP.

Other Information: There were no benefit changes during the year

Information is presented for those years for which it was available

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS
FIREFIGHTERS' PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
DECEMBER 31, 2015**

Last 10 Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Actuarially Determined Contribution	\$ 3,521,960	\$ 4,065,776	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contribution	16,498,436	2,036,569	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	(12,976,476)	2,029,207	-	-	-	-	-	-	-	-
Covered-Employee Payroll	7,104,897	6,934,001	-	-	-	-	-	-	-	-
Contributions as a Percentage of Covered-Employee Payroll	232.21%	29.37%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

The actuarially determined contribution is from the December 31, 2013 actuary's report

Actuarial Cost Method: Entry age normal with a level percentage of pay

Asset Valuation Method: Market value

Inflation: 2.5%

Projected Increase in Total Payroll: 3.5%

Investment Rate of Return: 6.5%

Retirement Rates: Based on the Lauterbach & Amen, LLP 2016 Illinois Firefighters Retirement Rates Capped at age 65

Mortality: In the 2015 valuation, mortality rates are based on the assumption study prepared by Lauterbach & Amen, LLP in 2016. Mortality improvements have been made to 5 years past the valuation date. The 2014 valuation was based on the 2012 study prepared by Lauterbach & Amen, LLP.

Other Information: There were no benefit changes during the year

Information is presented for those years for which it was available

See independent auditor's report.

CITY OF BERWYN, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS
December 31, 2015

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net OPEB Obligation
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
2015	578,616	626,627	92.34%	846,099

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS
December 31, 2015

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL As a Percentage of Covered Payroll (4) / (5)
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%
2015	-	12,399,201	0.00%	12,399,201	28,294,438	43.82%

See independent auditor's report.

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, Cermak Road TIF, 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.

CITY OF BERWYN, ILLINOIS

Notes to required supplementary information
December 31, 2015

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	
Finance	\$ 40,206
Information Technology	21,099
Senior Services	3,420
Debt Service	353,833
Ogden TIF	255,924
Harlem TIF	<u>425,330</u>
Total	<u>\$ 1,099,812</u>

NOTE 3 - SUPPLEMENTAL BUDGET APPROPRIATIONS

Supplemental budget appropriations during the year were as follows:

<u>Fund</u>	<u>Amount</u>
General Fund Department	
Information Technology	\$87,000
Recreation	25,000
Public Works	425,000
Zoning	2,500
Committee & Planning	30,000
Senior Services	36,000
Treasurer	5,000
Harlem TIF	1,900,000
Ogden TIF	<u>2,250,000</u>
Total	<u>\$4,760,500</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, 2015

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes - debt service	\$ 5,572,391	\$ 5,583,519	\$ 11,128
Investment income	-	526	526
Total Revenues	<u>5,572,391</u>	<u>5,584,045</u>	<u>11,654</u>
EXPENDITURES			
Debt Service			
Principal	3,910,000	3,910,000	-
Interest and fiscal charges	7,440,186	6,955,907	484,279
Bond issuance costs	125,000	165,742	(40,742)
Total Expenditures	<u>11,475,186</u>	<u>11,031,649</u>	<u>443,537</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(5,902,795)</u>	<u>(5,447,604)</u>	<u>455,191</u>
OTHER FINANCING SOURCES (USES)			
Bonds issued, at par	4,766,499	4,845,000	78,501
Discount on bond issue	-	(64,843)	(64,843)
Transfers in - Roosevelt Road TIF	269,999	269,999	-
Transfers in - Ogden Avenue TIF	410,000	410,000	-
Transfers in - South Berwyn TIF	456,297	456,297	-
Total Other Financing Sources (Uses)	<u>5,902,795</u>	<u>5,916,453</u>	<u>13,658</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	468,849	<u>\$ 468,849</u>
FUND BALANCE, JANUARY 1		<u>669,905</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 1,138,754</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
PROPERTY TAXES				
Property taxes - general	\$ 20,569,170	\$ 20,569,170	\$ 20,667,998	\$ 98,828
OTHER TAXES				
Personal property replacement	219,000	219,000	217,728	(1,272)
State income	6,500,000	6,500,000	7,386,431	886,431
State sales	3,025,000	3,025,000	3,842,183	817,183
Home rule sales	2,300,000	2,300,000	2,733,826	433,826
Municipal utility	3,500,000	3,500,000	3,277,911	(222,089)
Liquor	175,000	175,000	180,110	5,110
Real estate transfer	1,500,000	1,500,000	1,838,263	338,263
Gas	300,000	300,000	310,070	10,070
Parking lot	2,000	2,000	1,600	(400)
Video	20,000	20,000	11,658	(8,342)
Video gaming	190,000	190,000	385,104	195,104
Miscellaneous	50,000	50,000	75,000	25,000
Total Other Taxes	<u>17,781,000</u>	<u>17,781,000</u>	<u>20,259,884</u>	<u>2,478,884</u>
LICENSES AND PERMITS				
Vehicle				
Recreation vehicle	1,500	1,500	649	(851)
Motorcycle	13,000	13,000	15,370	2,370
Trucks	145,000	145,000	167,802	22,802
Passenger vehicles	1,200,000	1,200,000	1,305,949	105,949
Licenses				
Business	419,500	419,500	497,818	78,318
Liquor	185,000	185,000	202,912	17,912
Pet	15,000	15,000	12,920	(2,080)
Permits				
Commuter parking	100,000	100,000	123,680	23,680
Electrical	50,000	50,000	43,446	(6,554)
Municipal parking	100,000	100,000	143,208	43,208
Building	125,000	125,000	130,230	5,230
Certificate of compliance	70,000	70,000	66,890	(3,110)
Local improvement	675,000	675,000	759,165	84,165
Service charge and escrow default	95,000	95,000	146,204	51,204
Electrical sign inspection	50,000	50,000	76,114	26,114
Total Licenses and Permits	<u>3,244,000</u>	<u>3,244,000</u>	<u>3,692,357</u>	<u>448,357</u>

(Continued)

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
CHARGES FOR SERVICES				
Public safety				
Police reports	\$ 15,000	\$ 15,000	\$ 13,460	\$ (1,540)
Paramedic service collections	800,000	800,000	660,861	(139,139)
False alarms	12,000	12,000	5,750	(6,250)
Miscellaneous charges for services	15,500	15,500	24,101	8,601
CPR training revenue	800	800	240	(560)
Public works				
Plumbing inspection	60,000	60,000	112,062	52,062
Sanitation				
Recycling rebate	80,000	80,000	87,188	7,188
Recreation				
Athletics	83,750	83,750	90,996	7,246
Adult programs	35,000	35,000	25,408	(9,592)
Children's programs	215,000	215,000	327,800	112,800
Pool	50,000	50,000	33,228	(16,772)
Concession stand	10,000	10,000	6,177	(3,823)
Rental	3,000	3,000	6,461	3,461
Senior services				
Senior breakfast	2,500	2,500	350	(2,150)
Other fees for service	19,000	19,000	32,088	13,088
Other				
Commuter parking meters	45,000	45,000	35,207	(9,793)
Sale of gas	130,000	130,000	80,243	(49,757)
Sidewalk construction	75,000	75,000	75,175	175
 Total Charges For Services	 <u>1,651,550</u>	 <u>1,651,550</u>	 <u>1,616,795</u>	 <u>(34,755)</u>
FINES AND FORFEITURES				
Towing fees	10,000	10,000	11,157	1,157
Impound vehicles	320,000	320,000	295,000	(25,000)
Booting	25,000	25,000	23,360	(1,640)
Cannabis tickets	35,000	35,000	40,975	5,975
Court fines	80,000	80,000	74,314	(5,686)
Violation fines	1,950,000	1,950,000	1,912,769	(37,231)
Compliance tickets	175,000	175,000	137,545	(37,455)
Local ordinance fines	515,000	515,000	396,696	(118,304)
Red Light photo enforcement	2,000,000	2,000,000	2,608,034	608,034
 Total Fines and Forfeitures	 <u>5,110,000</u>	 <u>5,110,000</u>	 <u>5,499,850</u>	 <u>389,850</u>

(Continued)

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
INTERGOVERNMENTAL				
Highway maintenance	\$ 102,000	\$ 102,000	\$ 112,295	\$ 10,295
Total Intergovernmental	<u>102,000</u>	<u>102,000</u>	<u>112,295</u>	<u>10,295</u>
INVESTMENT INCOME	<u>35,000</u>	<u>35,000</u>	<u>58,364</u>	<u>23,364</u>
OTHER REVENUES				
Franchises	360,000	360,000	408,226	48,226
Cell tower rental	125,000	125,000	136,128	11,128
Reimbursements	211,500	211,500	423,130	211,630
Grants	95,000	95,000	151,327	56,327
Contributions & sponsorships	250	250	976	726
Other	<u>212,986</u>	<u>212,986</u>	<u>186,218</u>	<u>(26,768)</u>
Total Other Revenues	<u>1,004,736</u>	<u>1,004,736</u>	<u>1,306,005</u>	<u>301,269</u>
TOTAL REVENUES	<u>\$ 49,497,456</u>	<u>\$ 49,497,456</u>	<u>\$ 53,213,548</u>	<u>\$ 3,716,092</u>

CITY OF BERWYN, ILLINOIS
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
GENERAL GOVERNMENT				
Mayor's Office				
Salaries and benefits	\$ 145,861	\$ 145,861	\$ 146,875	\$ (1,014)
Internal service fund charges	1,849	1,849	-	1,849
Administrative expenditures	7,500	7,500	7,183	317
Supplies	1,600	1,600	1,162	438
Postage and printing	700	700	333	367
Training, dues and publications	-	-	30	(30)
Other general	3,500	3,500	1,544	1,956
Copier maintenance	1,800	1,800	1,249	551
Total Mayor's Office	<u>162,810</u>	<u>162,810</u>	<u>158,376</u>	<u>4,434</u>
City Administrator's Office				
Salaries and benefits	344,623	344,623	346,100	(1,477)
Internal service fund charges	4,854	4,854	-	4,854
Training, dues and publications	13,953	13,953	6,997	6,956
Supplies	1,600	1,600	2,330	(730)
Postage and printing	700	700	377	323
Repairs and maintenance	500	500	704	(204)
Professional services	60,000	60,000	59,570	430
Other general	9,500	9,500	8,326	1,174
Copier maintenance	1,800	1,800	1,249	551
Total City Administrator's Office	<u>437,530</u>	<u>437,530</u>	<u>425,653</u>	<u>11,877</u>
City Clerk's Office				
Salaries and benefits	185,896	185,896	177,868	8,028
Internal service fund charges	2,196	2,196	-	2,196
Administrative expenditures	4,500	4,500	1,728	2,772
Training, dues and publications	4,000	4,000	4,360	(360)
Supplies	2,000	2,000	1,468	532
Postage and printing	1,000	1,000	424	576
Codification	7,000	7,000	5,285	1,715
Record retention	5,000	5,000	2,076	2,924
Other general	2,500	2,500	2,311	189
Copier maintenance	7,000	7,000	3,054	3,946
Total City Clerk's Office	<u>221,092</u>	<u>221,092</u>	<u>198,574</u>	<u>22,518</u>
Treasurer's Office				
Salaries and benefits	23,197	28,197	28,065	132
Internal service fund charges	693	693	-	693
Supplies	250	250	-	250
Postage, printing and publications	4,000	4,000	2,848	1,152
Other general	250	250	-	250
Total Treasurer's Office	<u>28,390</u>	<u>33,390</u>	<u>30,913</u>	<u>2,477</u>
City Council				
Salaries and benefits	182,686	182,686	179,342	3,344
Internal service fund charges	2,312	2,312	-	2,312
Ward expenditures	36,000	36,000	25,679	10,321
Other general	500	500	513	(13)
Total City Council	<u>221,498</u>	<u>221,498</u>	<u>205,534</u>	<u>15,964</u>

(Continued)

CITY OF BERWYN, ILLINOIS
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
GENERAL GOVERNMENT (CONTINUED)				
Legal Department				
Salaries and benefits	\$ 279,670	\$ 279,670	\$ 273,839	\$ 5,831
Internal service fund charges	10,402	10,402	-	10,402
Supplies	1,800	1,800	425	1,375
Postage and printing	700	700	246	454
Adjudication program	35,000	35,000	29,534	5,466
Other general	1,400	1,400	118	1,282
Professional services	600,000	600,000	477,954	122,046
Copier maintenance	1,800	1,800	-	1,800
Total Legal Department	<u>930,772</u>	<u>930,772</u>	<u>782,116</u>	<u>148,656</u>
Finance Department				
Salaries and benefits	1,114,144	1,114,144	1,105,197	8,947
Internal service fund charges	19,531	19,531	950	18,581
Other general	52,500	52,500	94,125	(41,625)
Postage, printing and publications	25,500	25,500	27,415	(1,915)
Telephone	20,000	20,000	9,125	10,875
Supplies	8,500	8,500	10,780	(2,280)
Training, dues and publications	6,000	6,000	4,102	1,898
Professional services	320,000	320,000	356,623	(36,623)
Copier maintenance	4,900	4,900	2,964	1,936
Total Finance Department	<u>1,571,075</u>	<u>1,571,075</u>	<u>1,611,281</u>	<u>(40,206)</u>
Information Technology Department				
Salaries and benefits	569,028	569,028	569,560	(532)
Internal service fund charges	11,096	11,096	-	11,096
Network infrastructure	220,000	220,000	253,846	(33,846)
Hardware purchases	80,000	80,000	88,518	(8,518)
Hardware maintenance	30,000	30,000	30,444	(444)
Software purchases	60,000	60,000	45,885	14,115
Software maintenance	30,000	30,000	24,569	5,431
Equipment lease	-	-	19,018	(19,018)
Training, dues and publications	5,000	5,000	-	5,000
Supplies	1,000	1,000	3,541	(2,541)
Repaires & maintenance	2,500	2,500	1,027	1,473
Other general	41,000	41,000	45,487	(4,487)
Capital outlay	-	87,000	87,494	(494)
Professional services	30,000	30,000	18,334	11,666
Total Information Technology Department	<u>1,079,624</u>	<u>1,166,624</u>	<u>1,187,723</u>	<u>(21,099)</u>
Statutory				
Auditing/accounting expenditures	50,000	50,000	63,613	(13,613)
Bad debt expenditure	10,000	10,000	219,053	(209,053)
Unallocated employee benefits	40,000	40,000	(11,646)	51,646
Interdepartmental charges-water	(1,050,917)	(1,050,917)	(1,040,603)	(10,314)
Other	-	-	147,331	(147,331)
City wide software applications	32,000	32,000	36,266	(4,266)
Total Statutory	<u>(918,917)</u>	<u>(918,917)</u>	<u>(585,986)</u>	<u>(332,931)</u>
Total General Government	<u>3,733,874</u>	<u>3,825,874</u>	<u>4,014,184</u>	<u>(188,310)</u>

(Continued)

CITY OF BERWYN, ILLINOIS

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

For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
PUBLIC SAFETY				
Fire Department				
Salaries and benefits	\$ 9,974,139	\$ 9,974,139	\$ 9,854,146	\$ 119,993
Pension expenditures	16,500,000	16,500,000	16,498,435	1,565
Internal service fund charges	331,166	331,166	125,888	205,278
Collection service fees	65,000	65,000	32,459	32,541
Other general	78,000	58,000	24,946	33,054
Supplies	16,100	16,100	12,243	3,857
Telephone	15,000	15,000	8,565	6,435
Utilities	15,000	15,000	14,743	257
Training, dues, and education	55,000	55,000	48,321	6,679
Repairs and maintenance	180,000	180,000	149,591	30,409
Vehicle gas & oil	60,000	60,000	46,899	13,101
Copier maintenance	5,000	5,000	2,041	2,959
Equipment purchases/capital outlay	415,000	391,500	351,140	40,360
Equipment lease	245,000	245,000	224,855	20,145
Turnout gear	40,000	40,000	35,794	4,206
Total Fire Department	<u>27,994,405</u>	<u>27,950,905</u>	<u>27,430,066</u>	<u>520,839</u>
Police Department				
Salaries and benefits	18,502,193	18,502,193	18,287,514	214,679
Pension expenditures	16,750,000	16,750,000	16,744,970	5,030
Internal service fund charges	1,619,452	1,619,452	951,028	668,424
Other general	111,500	111,500	120,616	(9,116)
Postage, printing, and publications	31,500	31,500	28,110	3,390
Telephone	124,800	124,800	139,500	(14,700)
Utilities	26,000	26,000	22,398	3,602
Training, dues, and education	85,000	85,000	95,619	(10,619)
Vehicle gas & oil	275,000	275,000	188,313	86,687
Supplies	53,100	53,100	39,077	14,023
Repairs and maintenance	358,500	358,500	305,737	52,763
Red Speed photo enforcement	700,000	700,000	1,013,138	(313,138)
Capital outlay	491,000	436,000	356,244	79,756
Copier maintenance	23,600	23,600	13,566	10,034
Total Police Department	<u>39,151,645</u>	<u>39,096,645</u>	<u>38,305,830</u>	<u>790,815</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	43,660	27,340
Total Fire and Police Commission	<u>97,905</u>	<u>97,905</u>	<u>65,190</u>	<u>32,715</u>
Total Public Safety	<u>67,243,955</u>	<u>67,145,455</u>	<u>65,801,086</u>	<u>1,344,369</u>

(Continued)

CITY OF BERWYN, ILLINOIS
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
PUBLIC WORKS				
Building Department				
Salaries and benefits	\$ 951,289	\$ 951,289	\$ 913,397	\$ 37,892
Internal service fund charges	19,845	19,845	-	19,845
Other general	40,000	40,000	4,969	35,031
Postage, printing, and publications	12,000	12,000	15,227	(3,227)
Utilities	15,000	15,000	13,643	1,357
Telephone	10,000	10,000	12,079	(2,079)
Training, dues, and publications	2,000	2,000	630	1,370
Supplies	17,500	17,500	14,213	3,287
Vehicle gas & oil	13,000	13,000	8,845	4,155
Professional services	370,000	370,000	371,339	(1,339)
Repairs and maintenance	150,000	150,000	266,161	(116,161)
Capital outlay	60,000	60,000	19,534	40,466
Copier maintenance	3,700	3,700	1,442	2,258
Total Building Department	<u>1,664,334</u>	<u>1,664,334</u>	<u>1,641,479</u>	<u>22,855</u>
Street Department				
Salaries and benefits	2,521,161	2,521,161	2,311,963	209,198
Internal service fund charges	105,788	105,788	58,257	47,531
Other general	3,500	3,500	4,356	(856)
Telephone	4,000	4,000	2,597	1,403
Training, dues & publications	7,000	7,000	3,222	3,778
Utilities	30,000	30,000	14,856	15,144
Vehicle gas and oil	150,000	150,000	69,933	80,067
Supplies	142,500	142,500	132,751	9,749
Postage & printing	3,000	3,000	10,668	(7,668)
Equipment lease	78,109	78,109	135,281	(57,172)
Equipment	4,500	4,500	6,691	(2,191)
Repairs and maintenance	320,000	320,000	509,817	(189,817)
Copier maintenance	1,000	1,000	1,192	(192)
Capital outlay	200,000	625,000	509,229	115,771
Professional services	750,000	750,000	474,226	275,774
Total Street Department	<u>4,320,558</u>	<u>4,745,558</u>	<u>4,245,039</u>	<u>500,519</u>
Fleet Department				
Salaries and benefits	97,195	97,195	96,152	1,043
Internal service fund charges	8,669	8,669	-	8,669
Other general	10,000	10,000	1,500	8,500
Supplies	215,500	215,500	139,244	76,256
Professional services	45,000	45,000	55,092	(10,092)
Postage & printing	1,500	1,500	1,110	390
Equipment	5,000	5,000	2,216	2,784
Vehicle gas and oil	14,000	14,000	6,527	7,473
Repairs and maintenance	146,000	146,000	74,493	71,507
Total Fleet Department	<u>542,864</u>	<u>542,864</u>	<u>376,334</u>	<u>166,530</u>
Total Public Works	<u>6,527,756</u>	<u>6,952,756</u>	<u>6,262,852</u>	<u>689,904</u>

(Continued)

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
ECONOMIC DEVELOPMENT				
Zoning Boards of Appeals				
Salaries and benefits	\$ 6,847	\$ 6,847	\$ 6,765	\$ 82
Postage & printing	1,000	1,000	2,388	(1,388)
Other general	4,500	7,000	5,323	1,677
Total Zoning Boards of Appeals	<u>12,347</u>	<u>14,847</u>	<u>14,476</u>	<u>371</u>
Committees and Planning Department				
Berwyn Historical Society	10,000	10,000	10,000	-
West Central Municipal Conference	21,000	21,000	20,566	434
Historical Preservation Commission	5,000	35,000	21,669	13,331
Utility tax rebate	85,000	85,000	82,789	2,211
Community programs	7,500	7,500	1,375	6,125
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>249,500</u>	<u>222,941</u>	<u>26,559</u>
Total Economic Development	<u>231,847</u>	<u>264,347</u>	<u>237,417</u>	<u>26,930</u>
CULTURE AND RECREATION				
Recreation Department				
Salaries and benefits	981,313	1,006,313	1,044,565	(38,252)
Internal service fund charges	16,181	16,181	-	16,181
Special events	55,000	55,000	73,344	(18,344)
Other general	75,000	75,000	51,704	23,296
Postage, printing, and publications	8,000	8,000	2,755	5,245
Telephone	8,000	8,000	7,387	613
Utilities	35,000	35,000	28,922	6,078
Vehicle gas & oil	18,500	18,500	14,353	4,147
Supplies	120,000	120,000	111,596	8,404
Repairs and maintenance	170,000	170,000	144,717	25,283
Equipment purchases/capital outlay	50,000	50,000	72,966	(22,966)
Copier maintenance	5,300	5,300	1,263	4,037
Total Recreation Department	<u>1,542,294</u>	<u>1,567,294</u>	<u>1,553,572</u>	<u>13,722</u>

(Continued)

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
CULTURE AND RECREATION (CONTINUED)				
Community Relations Department				
Salaries and benefits	\$ 6,191	\$ 6,191	\$ 2,959	\$ 3,232
Other general	1,500	1,500	-	1,500
Total Community Relations Department	<u>7,691</u>	<u>7,691</u>	<u>2,959</u>	<u>4,732</u>
Senior Services Department				
Salaries and benefits	214,042	214,042	235,201	(21,159)
Special events - senior breakfast	6,000	6,000	6,577	(577)
Vehicle, gas, and oil	25,000	25,000	14,833	10,167
Telephone	3,024	3,024	3,201	(177)
Supplies	600	600	759	(159)
Postage and printing	3,500	3,500	3,354	146
Professional services	3,500	3,500	1,762	1,738
Repairs and maintenance	67,000	103,000	100,476	2,524
Equipment lease	6,000	6,000	4,400	1,600
Copier maintenance	1,000	1,000	787	213
Internal service fund charges	4,045	4,045	3,383	662
Other general	1,800	1,800	198	1,602
Total Senior Services Department	<u>335,511</u>	<u>371,511</u>	<u>374,931</u>	<u>(3,420)</u>
Total Culture and Recreation	<u>1,885,496</u>	<u>1,946,496</u>	<u>1,931,462</u>	<u>15,034</u>
DEBT SERVICE				
Bond expenditures				
Bond issuance costs	<u>500,000</u>	<u>500,000</u>	<u>853,833</u>	<u>(353,833)</u>
Total Debt Service	<u>500,000</u>	<u>500,000</u>	<u>853,833</u>	<u>(353,833)</u>
TOTAL GENERAL FUND EXPENDITURES	<u>\$ 80,122,928</u>	<u>\$ 80,634,928</u>	<u>\$ 79,100,834</u>	<u>\$ 1,534,094</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 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, 2015

	Special Revenue							
	NSP	Library	Motor Fuel Tax	South Berwyn Corridor TIF	Roosevelt Road TIF	Ogden Avenue TIF	Cermak Road TIF	Harlem Avenue TIF
ASSETS								
Cash and investments	\$ 40	\$ 371,262	\$ 1,385,759	\$ 50,000	\$ -	\$ 73,925	\$ -	\$ 349,040
Restricted cash	-	125,138	-	-	50,000	-	-	-
Receivables	-	-	-	-	-	-	-	-
Property taxes	-	3,277,688	-	10,943	-	2,886	-	-
Notes	-	-	-	-	-	-	-	-
Interest	-	69	258	43	51	38	-	156
Accounts	-	51	-	-	2,000	-	-	-
Land held for resale	420,615	-	-	84,032	305,000	-	-	-
Due from other funds	-	431,758	-	-	236,202	-	285,265	-
Due from other governments	-	-	127,869	-	-	-	-	-
TOTAL ASSETS	\$ 420,655	\$ 4,205,966	\$ 1,513,886	\$ 145,018	\$ 593,253	\$ 76,849	\$ 285,265	\$ 349,196
LIABILITIES								
Accounts payable	\$ -	\$ 43,229	\$ 104,789	\$ -	\$ -	\$ -	\$ -	\$ 8,485
Accrued payroll	-	50,892	-	-	-	-	-	-
Unearned revenues	-	125,000	-	-	2,000	-	-	-
Due to other funds	108,870	-	178,304	142,861	-	12,271	-	483,785
Other Liabilities	-	2,464	-	-	33,116	-	197,803	-
TOTAL LIABILITIES	108,870	221,585	283,093	142,861	35,116	12,271	197,803	492,270
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes	-	3,251,421	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	3,251,421	-	-	-	-	-	-
FUND BALANCES (DEFICIT)								
Restricted	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	1,230,793	-	-	-	-	-
Culture and recreation	-	732,960	-	-	-	-	-	-
Economic Development	311,785	-	-	2,157	558,137	64,578	87,462	-
Committed	-	-	-	-	-	-	-	-
Capital projects funded by bonds	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(143,074)
TOTAL FUND BALANCES (DEFICIT)	311,785	732,960	1,230,793	2,157	558,137	64,578	87,462	(143,074)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	\$ 420,655	\$ 4,205,966	\$ 1,513,886	\$ 145,018	\$ 593,253	\$ 76,849	\$ 285,265	\$ 349,196

CITY OF BERWYN, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2015

	Special Revenue					Capital Projects			Totals
	Grants	Police Seizure	Emergency 911 Telephone System	Foreign Fire Insurance	CDBG	Capital Bond	Infrastructure Bond		
ASSETS									
Cash and investments	\$ 100	\$ 730,039	\$ 728,393	\$ 49,441	\$ 117	\$ 1,533,038	\$ -	\$ -	\$ 5,271,154
Restricted cash	-	-	-	-	-	-	-	-	175,138
Receivables	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	3,291,517
Notes	-	-	-	-	2,454,068	-	-	-	2,454,068
Interest	-	58	17	1	1	297	-	-	989
Accounts	50	-	148,609	-	-	-	-	-	150,710
Land held for resale	-	-	-	-	-	-	-	-	809,647
Due from other funds	84,206	-	-	-	39,880	-	18,727	-	1,096,038
Due from other governments	-	-	-	-	135,325	-	-	-	263,194
TOTAL ASSETS	\$ 84,356	\$ 730,097	\$ 877,019	\$ 49,442	\$ 2,629,391	\$ 1,533,335	\$ 18,727	\$ -	\$ 13,512,455
LIABILITIES									
Accounts payable	\$ -	\$ 191,554	\$ 50,000	\$ -	\$ 42,092	\$ 80,186	\$ -	\$ -	\$ 520,335
Accrued payroll	-	17,974	-	-	6,996	-	-	-	75,862
Unearned revenues	25,000	-	-	-	2,454,068	-	-	-	2,606,068
Due to other funds	-	141,567	10	-	-	-	-	-	1,067,668
Other Liabilities	-	-	-	-	-	-	-	-	233,383
TOTAL LIABILITIES	25,000	351,095	50,010	-	2,503,156	80,186	-	-	4,503,316
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-	3,251,421
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	-	-	-	3,251,421
FUND BALANCES (DEFICIT)									
Restricted									
Public safety	59,356	379,002	827,009	49,442	-	-	-	-	1,314,809
Public works	-	-	-	-	-	-	-	-	1,230,793
Culture and recreation	-	-	-	-	-	-	-	-	732,960
Economic Development	-	-	-	-	126,235	-	-	-	1,150,364
Committed	-	-	-	-	-	-	-	-	-
Capital projects funded by bonds	-	-	-	-	-	1,453,149	18,727	-	1,471,876
Unassigned	-	-	-	-	-	-	-	-	(143,074)
TOTAL FUND BALANCES (DEFICIT)	59,356	379,002	827,009	49,442	126,235	1,453,149	18,727	-	5,757,718
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)	\$ 84,356	\$ 730,097	\$ 877,019	\$ 49,442	\$ 2,629,391	\$ 1,533,335	\$ 18,727	\$ -	\$ 13,512,455

CITY OF BERWYN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2015

	NSP	Special Revenue						
		Library	Motor Fuel Tax	South Berwyn Corridor TIF	Roosevelt Road TIF	Ogden Avenue TIF	Cermak Road TIF	Harlem Avenue TIF
REVENUES								
Property taxes	\$ -	\$ 3,209,677	\$ -	\$ 645,446	\$ 249,150	\$ 805,453	\$ -	\$ 670,124
Other taxes	-	-	-	-	-	-	-	-
Fines and forfeitures	-	42,954	-	-	-	-	-	-
Intergovernmental	-	70,821	1,661,230	-	-	-	-	-
Investment income	-	610	1,306	644	727	624	275	2,981
Miscellaneous	169,160	365,384	-	-	1,692	32,000	-	-
Total Revenues	169,160	3,689,446	1,662,536	646,090	251,569	838,077	275	673,105
EXPENDITURES								
Current								
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	1,122,234	-	-	-	-	-
Economic development	41,413	-	-	91,838	262,360	2,400,245	308,106	2,961,592
Culture and recreation	-	3,070,964	-	-	-	-	-	-
Capital outlay	639,000	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Principal	-	-	-	155,161	-	635,491	-	-
Interest and fiscal charges	-	-	-	33,747	-	37,609	-	-
Total Expenditures	680,413	3,070,964	1,122,234	280,746	262,360	3,073,345	308,106	2,961,592
Excess (Deficiency) of Revenues Over (Under) Expenditures	(511,253)	618,482	540,302	365,344	(10,791)	(2,235,268)	(307,831)	(2,288,487)
OTHER FINANCING SOURCES (USES)								
Proceeds of debt issuance	-	-	-	-	300,000	-	-	1,900,000
Transfers in	-	-	-	(456,297)	(269,999)	(410,000)	-	-
Transfers (out)	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	(456,297)	30,001	(410,000)	-	1,900,000
NET CHANGE IN FUND BALANCES	(511,253)	618,482	540,302	(90,953)	19,210	(2,645,268)	(307,831)	(388,487)
FUND BALANCES (DEFICIT), JANUARY 1	823,038	114,478	690,491	93,110	538,927	2,709,846	395,293	245,413
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 311,785	\$ 732,960	\$ 1,230,793	\$ 2,157	\$ 558,137	\$ 64,578	\$ 87,462	\$ (143,074)

CITY OF BERWYN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2015

	Special Revenue				Capital Projects			Totals
	Grants	Police Seizure	Emergency 911 Telephone System	Foreign Fire Insurance	CDBG	Capital Bond	Infrastructure Bond	
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,579,850
Other taxes	-	-	434,510	44,825	-	-	-	479,335
Fines and forfeitures	20,247	-	-	-	-	-	-	63,201
Intergovernmental	7,472	365,536	-	-	1,686,391	-	-	3,791,450
Investment income	-	928	2,760	8	529	3,497	-	14,889
Miscellaneous	-	3,020	-	-	64,890	-	-	636,146
Total Revenues	27,719	369,484	437,270	44,833	1,751,810	3,497	-	10,564,871
EXPENDITURES								
Current								
Public safety	7,690	740,898	459,874	37,470	-	-	-	1,245,932
Public works	-	-	-	-	-	-	-	1,122,234
Economic development	-	-	-	-	1,797,637	-	-	7,863,191
Culture and recreation	4,647	-	-	-	-	-	-	3,075,611
Capital outlay	-	-	-	-	-	88,843	-	727,843
Debt service	-	-	-	-	-	-	-	790,652
Principal	-	-	-	-	-	-	-	71,356
Interest and fiscal charges	-	-	-	-	-	-	-	-
Total Expenditures	12,337	740,898	459,874	37,470	1,797,637	88,843	-	14,896,819
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,382	(371,414)	(22,604)	7,363	(45,827)	(85,346)	-	(4,331,948)
OTHER FINANCING SOURCES (USES)								
Proceeds of debt issuance	-	-	-	-	459,670	-	-	2,200,000
Transfers in	-	-	-	-	-	-	-	459,670
Transfers (out)	-	-	-	-	-	-	-	(1,136,296)
Total Other Financing Sources (Uses)	-	-	-	-	459,670	-	-	1,523,374
NET CHANGE IN FUND BALANCES	15,382	(371,414)	(22,604)	7,363	413,843	(85,346)	-	(2,808,574)
FUND BALANCES (DEFICIT), JANUARY 1	43,974	750,416	849,613	42,079	(287,608)	1,538,495	18,727	8,566,292
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 59,356	\$ 379,002	\$ 827,009	\$ 49,442	\$ 126,235	\$ 1,453,149	\$ 18,727	\$ 5,757,718

CITY OF BERWYN, ILLINOIS

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

For the Year Ended December 31, 2015

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes - Library	\$ 3,206,530	\$ 3,209,677	\$ 3,147
Fines and forfeitures			
Book fines	25,000	31,481	6,481
Copier fees - maintenance fund	14,000	11,473	(2,527)
Intergovernmental revenue - Per Capita Grant	70,000	70,821	821
Intergovernmental revenue - Grants	80,000	-	(80,000)
Investment income	100	610	510
Miscellaneous revenues			
Donations - building fund	35,000	6,068	(28,932)
Contributions	50,000	358,844	308,844
Other	-	472	472
Total Revenues	<u>3,480,630</u>	<u>3,689,446</u>	<u>208,816</u>
EXPENDITURES			
Library			
Salaries and benefits	2,584,830	2,367,048	217,782
Internal service fund charges	35,830	2,777	33,053
Books	307,000	252,848	54,152
Periodicals	20,000	18,497	1,503
Audio visual	41,000	32,050	8,950
Computer system	59,000	37,514	21,486
Dues and subscriptions	-	6,634	(6,634)
Computer support databases	55,000	42,587	12,413
Programs adult/children	31,000	21,961	9,039
Reciprocal borrowing	2,500	1,247	1,253
Promotions	15,000	11,497	3,503
Director expense	850	442	408
Board expense	850	15,812	(14,962)
Other general	14,000	17,861	(3,861)
Postage, printing, and publications	14,000	1,436	12,564
Vehicle gas & oil	2,600	1,068	1,532
Telephone	18,000	12,280	5,720
Utilities	20,000	16,009	3,991
Supplies	95,000	60,651	34,349
Repairs and maintenance	140,000	121,373	18,627
Capital improvement	145,000	29,372	115,628
Total Expenditures	<u>3,601,460</u>	<u>3,070,964</u>	<u>530,496</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(120,830)</u>	<u>618,482</u>	<u>739,312</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	10,000	-	(10,000)
NET CHANGE IN FUND BALANCE	<u>\$ (110,830)</u>	618,482	<u>\$ 729,312</u>
FUND BALANCE, JANUARY 1		<u>114,478</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 732,960</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, 2015

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Intergovernmental revenues - state allotment	\$ 1,664,050	\$ 1,661,230	\$ (2,820)
Investment income	-	1,306	1,306
Total Revenues	<u>1,664,050</u>	<u>1,662,536</u>	<u>(1,514)</u>
EXPENDITURES			
Public Works			
Rock salt	250,000	221,828	28,172
Utilities	450,000	422,126	27,874
Professional services	120,000	224,007	(104,007)
Capital outlay	385,000	-	385,000
Repairs and maintenance			
General	-	693	(693)
Streets & Sidewalks	-	34,113	(34,113)
Traffic control	360,000	219,467	140,533
Total Expenditures	<u>1,565,000</u>	<u>1,122,234</u>	<u>442,766</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>99,050</u>	<u>540,302</u>	<u>441,252</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(380,000)</u>	-	<u>380,000</u>
Total Other Financing Sources (Uses)	<u>(380,000)</u>	-	<u>380,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ (280,950)</u>	540,302	<u>\$ 821,252</u>
FUND BALANCE, JANUARY 1		<u>690,491</u>	
FUND BALANCE, DECEMBER 31		<u><u>\$ 1,230,793</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, 2015**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Property taxes - increment	\$ 827,469	\$ 645,446	\$ (182,023)
Investment income	<u>1,000</u>	<u>644</u>	<u>(356)</u>
Total Revenues	<u>828,469</u>	<u>646,090</u>	<u>(182,379)</u>
EXPENDITURES			
Economic Development			
TIF expenditures	51,847	91,840	(39,993)
TIF management services - BDC	124,435	(2)	124,437
Debt Service			
Principal	155,164	155,161	3
Interest - notes payable	<u>40,726</u>	<u>33,747</u>	<u>6,979</u>
Total Expenditures	<u>372,172</u>	<u>280,746</u>	<u>91,426</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>456,297</u>	<u>365,344</u>	<u>(90,953)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(456,297)</u>	<u>(456,297)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(456,297)</u>	<u>(456,297)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(90,953)</u>	<u>\$ (90,953)</u>
FUND BALANCE, JANUARY 1		<u>93,110</u>	
FUND BALANCE, DECEMBER 31		<u><u>\$ 2,157</u></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, 2015**

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes - increment	\$ 399,840	\$ 249,150	\$ (150,690)
Investment income	1,000	727	(273)
Miscellaneous	<u>-</u>	<u>1,692</u>	<u>1,692</u>
Total Revenues	<u>400,840</u>	<u>251,569</u>	<u>(149,271)</u>
EXPENDITURES			
Economic Development			
TIF expenditures	245,000	82,492	162,508
TIF management services - BDC	<u>221,458</u>	<u>179,868</u>	<u>41,590</u>
Total Expenditures	<u>466,458</u>	<u>262,360</u>	<u>204,098</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(65,618)</u>	<u>(10,791)</u>	<u>54,827</u>
OTHER FINANCING SOURCES (USES)			
Proceeds of debt issuance	-	300,000	300,000
Transfers (out)	<u>(269,999)</u>	<u>(269,999)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(269,999)</u>	<u>30,001</u>	<u>300,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ (335,617)</u>	19,210	<u>\$ 354,827</u>
FUND BALANCE, JANUARY 1		<u>538,927</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 558,137</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, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Property taxes - increment	\$ 932,746	\$ 932,746	\$ 805,453	\$ (127,293)
Property rental	-	-	32,000	32,000
Investment income	<u>1,500</u>	<u>1,500</u>	<u>624</u>	<u>(876)</u>
 Total Revenues	 <u>934,246</u>	 <u>934,246</u>	 <u>838,077</u>	 <u>(96,169)</u>
EXPENDITURES				
Economic Development				
TIF expenditures	-	2,250,000	2,364,324	(114,324)
TIF management services - BDC	232,321	232,321	35,921	196,400
Debt Service				
Principal	294,428	294,428	635,491	(341,063)
Interest - notes payable	<u>40,672</u>	<u>40,672</u>	<u>37,609</u>	<u>3,063</u>
Total Expenditures	<u>567,421</u>	<u>2,817,421</u>	<u>3,073,345</u>	<u>(255,924)</u>
 Excess (Deficiency) of Revenues Over Expenditures	 <u>366,825</u>	 <u>(1,883,175)</u>	 <u>(2,235,268)</u>	 <u>(352,093)</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>(410,000)</u>	<u>(410,000)</u>	<u>(410,000)</u>	<u>-</u>
 Total Other Financing Sources (Uses)	 <u>(410,000)</u>	 <u>(410,000)</u>	 <u>(410,000)</u>	 <u>-</u>
 NET CHANGE IN FUND BALANCE	 <u>\$ (43,175)</u>	 <u>\$ (2,293,175)</u>	 <u>(2,645,268)</u>	 <u>\$ (352,093)</u>
 FUND BALANCE, JANUARY 1			 <u>2,709,846</u>	
 FUND BALANCE, DECEMBER 31			 <u>\$ 64,578</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, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Property taxes - increment	\$ 584,983	\$ 584,983	\$ 670,124	\$ 85,141
Investment income	1,000	1,000	2,981	1,981
Total Revenues	<u>585,983</u>	<u>585,983</u>	<u>673,105</u>	<u>87,122</u>
EXPENDITURES				
Economic Development				
TIF expenditures	95,000	1,995,000	2,229,182	(234,182)
TIF management services - BDC	454,140	454,140	551,338	97,198
Debt Service				
Principal	-	-	68,280	(68,280)
Interest - notes payable	-	-	61,592	(61,592)
Bond issuance cost	-	-	51,200	(51,200)
Total Expenditures	<u>549,140</u>	<u>2,449,140</u>	<u>2,961,592</u>	<u>(318,056)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>36,843</u>	<u>(1,863,157)</u>	<u>(2,288,487)</u>	<u>(425,330)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds of debt issuance	-	1,900,000	1,900,000	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,900,000</u>	<u>1,900,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 36,843</u>	<u>\$ 36,843</u>	<u>(388,487)</u>	<u>\$ (425,330)</u>
FUND BALANCE, JANUARY 1			245,413	
FUND BALANCE, DECEMBER 31			<u>\$ (143,074)</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, 2015**

	Original and Final Budget	Actual	Variance with Final Budget
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Other taxes	\$ 50,000	\$ 44,825	\$ (5,175)
Investment income	<u> -</u>	<u> 8</u>	<u> (8)</u>
Total Revenues	<u>50,000</u>	<u>44,833</u>	<u>(5,183)</u>
 EXPENDITURES			
Public Safety			
Supplies	4,000	5,810	(1,810)
Tools and equipment	11,500	17,742	(6,242)
Repairs and maintenance	10,000	10,026	(26)
Other general	1,000	-	1,000
Training, dues, and publications	2,500	3,892	(1,392)
Capital Outlay	<u>21,000</u>	<u> -</u>	<u>21,000</u>
Total Expenditures	<u>50,000</u>	<u>37,470</u>	<u>12,530</u>
 Excess (Deficiency) of Revenues Over Expenditures	<u> -</u>	<u>7,363</u>	<u>7,363</u>
 NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>7,363</u>	<u>\$ 7,363</u>
 FUND BALANCE, JANUARY 1		<u>42,079</u>	
 FUND BALANCE, DECEMBER 31		<u>\$ 49,442</u>	

CITY OF BERWYN, ILLINOIS

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

For the Year Ended December 31, 2015

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Intergovernmental revenues	\$ 2,737,334	\$ 1,686,391	\$ (1,050,943)
Investment income	-	529	529
Miscellaneous	-	64,890	64,890
 Total Revenues	<u>2,737,334</u>	<u>1,751,810</u>	<u>(985,524)</u>
EXPENDITURES			
Economic Development			
Salaries and benefits	371,804	296,531	75,273
Internal service fund charges	13,202	-	13,202
Utilities	2,000	2,942	(942)
Copier maintenance	3,200	1,139	2,061
Telephone	3,600	2,252	1,348
Supplies	3,000	2,618	382
Postage and printing	5,400	8,814	(3,414)
Professional services	112,000	72,267	39,733
Training, dues and publications	7,000	-	7,000
Repairs and maintenance	5,710	3,963	1,747
Vehicle gas and oil	1,200	300	900
Other general	40,940	602	40,338
Bad debt	-	37,150	(37,150)
Program	990,448	84,811	905,637
Public works			
Capital outlay	1,457,500	1,284,248	173,252
Repairs and maintenance	-	-	-
Total Expenditures	<u>3,017,004</u>	<u>1,797,637</u>	<u>1,219,367</u>
 Excess (Deficiency) of Revenues Over Expenditures	<u>(279,670)</u>	<u>(45,827)</u>	<u>233,843</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	(180,000)	-	180,000
Transfers in (out)	459,670	459,670	-
Total Other Financing Sources (Uses)	<u>279,670</u>	<u>459,670</u>	<u>180,000</u>
 NET CHANGE IN FUND BALANCE	<u>\$ -</u>	413,843	<u>\$ 413,843</u>
 FUND BALANCE (DEFICIT), JANUARY 1		<u>(287,608)</u>	
 FUND BALANCE (DEFICIT), DECEMBER 31		<u>\$ 126,235</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, 2015

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Investment income	\$ 2,000	\$ 3,497	\$ 1,497
Total Revenues	<u>2,000</u>	<u>3,497</u>	<u>1,497</u>
EXPENDITURES			
Capital outlay			
2012 bond - public works projects	<u>1,584,000</u>	<u>88,843</u>	<u>1,495,157</u>
Total Expenditures	<u>1,584,000</u>	<u>88,843</u>	<u>1,495,157</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,582,000)</u>	<u>(85,346)</u>	<u>1,496,654</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,582,000)</u>	<u>(85,346)</u>	<u>\$ 1,496,654</u>
FUND BALANCE, JANUARY 1		<u>1,538,495</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 1,453,149</u>	

FIDUCIARY FUNDS

CITY OF BERWYN, ILLINOIS
COMBINING STATEMENT OF NET POSITION
PENSION TRUST FUNDS
December 31, 2015

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and investments			
Cash and cash equivalents	\$ 21,652	\$ 16,520	\$ 38,172
Investments			
U.S. Government and agency securities	10,806,209	6,768,986	17,575,195
Corporate bonds	11,363,133	5,866,868	17,230,001
Money market mutual funds	7,751,031	6,535,284	14,286,315
Equities	19,380,823	10,166,339	29,547,162
Equity mutual fund	23,294,684	18,975,716	42,270,400
Certificates of deposit	-	95,118	95,118
State and local obligations	781,063	512,119	1,293,182
Insurance contracts	12,108	105,439	117,547
Total Cash and Investments	<u>73,410,703</u>	<u>49,042,389</u>	<u>122,453,092</u>
Receivables			
Accrued interest	154,824	86,248	241,072
Other receivables	19,169	-	19,169
Due from governmental funds	13,779	11,451	25,230
Total Receivables	<u>187,772</u>	<u>97,699</u>	<u>285,471</u>
Prepays	1,499	166	1,665
Total Assets	<u>73,599,974</u>	<u>49,140,254</u>	<u>122,740,228</u>
LIABILITIES			
Accounts payable	36,965	21,511	58,476
Total Liabilities	<u>36,965</u>	<u>21,511</u>	<u>58,476</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 73,563,009</u>	<u>\$ 49,118,743</u>	<u>\$ 122,681,752</u>

CITY OF BERWYN, ILLINOIS

**COMBINING STATEMENT OF CHANGES IN NET POSITION
PENSION TRUST FUNDS**

For the Year Ended December 31, 2015

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 16,745,210	\$ 16,498,436	\$ 33,243,646
Participants	<u>956,689</u>	<u>664,862</u>	<u>1,621,551</u>
Total Contributions	<u>17,701,899</u>	<u>17,163,298</u>	<u>34,865,197</u>
Investment Income			
Net appreciation (depreciation) in fair value of investments	(3,285,459)	(2,524,451)	(5,809,910)
Interest earned	1,719,874	1,193,396	2,913,270
Less investment expenses	<u>(196,184)</u>	<u>(126,277)</u>	<u>(322,461)</u>
Total Investment Income	<u>(1,761,769)</u>	<u>(1,457,332)</u>	<u>(3,219,101)</u>
Total Additions	<u>15,940,130</u>	<u>15,705,966</u>	<u>31,646,096</u>
DEDUCTIONS			
Administrative	74,978	61,180	136,158
Pension benefits and refunds	<u>4,399,148</u>	<u>4,318,960</u>	<u>8,718,108</u>
Total Deductions	<u>4,474,126</u>	<u>4,380,140</u>	<u>8,854,266</u>
 NET INCREASE	 11,466,004	 11,325,826	 22,791,830
 NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - JANUARY 1	 <u>62,097,005</u>	 <u>37,792,917</u>	 <u>99,889,922</u>
 NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - DECEMBER 31	 <u><u>\$ 73,563,009</u></u>	 <u><u>\$ 49,118,743</u></u>	 <u><u>\$ 122,681,752</u></u>

STATISTICAL SECTION



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.

<u>Contents</u>	<u>Page(s)</u>
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.	140 - 144
Revenue Capacity	
These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	145 - 149
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.	150 - 153
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.	154 - 155
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.	156 - 158

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>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 (Restated)</u>	<u>2015</u>
Governmental Activities										
Net investment in capital assets	\$ (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)	\$ (39,825,361)
Restricted	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	4,834,710
Unrestricted	(15,561,601)	(21,533,594)	(16,013,844)	(17,323,029)	(22,493,166)	(19,438,748)	(19,370,661)	(20,837,639)	(128,782,971)	(130,286,516)
Total Governmental Activities	\$ (35,180,508)	\$ (866,059)	\$ 723,401	\$ (19,265,644)	\$ (19,829,851)	\$ (29,896,433)	\$ (35,871,730)	\$ (45,540,007)	\$ (156,911,061)	\$ (165,277,167)
Business-Type Activities										
Net investment in capital assets	\$ 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	\$ 23,946,259
Restricted	-	-	-	-	812,614	698,324	-	-	-	-
Unrestricted	5,126,822	4,771,633	4,837,469	4,960,027	4,045,965	3,098,670	3,188,554	4,727,886	5,113,598	5,241,306
Total Business-Type Activities	\$ 51,123,403	\$ 46,818,486	\$ 42,935,195	\$ 51,865,122	\$ 47,690,203	\$ 42,673,960	\$ 39,066,838	\$ 36,801,443	\$ 32,779,105	\$ 29,187,565
Primary Government										
Net investment in capital assets	\$ 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)	\$ (15,879,102)
Restricted	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	4,834,710
Unrestricted	(10,434,779)	(16,761,961)	(11,176,375)	(12,363,002)	(18,447,201)	(16,340,078)	(16,182,107)	(16,109,753)	(123,669,373)	(125,045,210)
Total Primary Government	\$ 15,942,895	\$ 45,952,427	\$ 43,658,596	\$ 32,599,478	\$ 27,860,352	\$ 12,777,527	\$ 3,195,108	\$ (8,738,564)	\$ (124,131,956)	\$ (136,089,602)

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental Activities										
General government	\$ 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	\$ 3,875,080
Public safety	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	45,477,225
Public works	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	8,365,920
Economic development	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	8,816,846
Culture and recreation	3,821,004	4,378,740	4,482,379	4,422,112	4,604,469	5,065,032	4,796,867	4,853,831	4,979,472	4,969,399
Health and sanitation	2,532,495	3,793,645	3,979,436	4,004,624	4,265,730	4,086,307	-	-	-	-
Interest	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	8,136,685
Total Governmental Activities Expenses	\$ 55,209,053	\$ 58,889,061	\$ 62,720,481	\$ 67,982,361	\$ 66,056,029	\$ 75,129,657	\$ 63,060,048	\$ 72,157,072	\$ 67,585,741	\$ 79,841,155
Business-Type Activities										
Utilities	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	19,533,100
Parking garage	-	-	-	104,318	263,619	275,896	273,185	260,988	264,787	268,197
Total Business-Type Activities Expenses	\$ 8,390,828	\$ 9,406,507	\$ 9,219,236	\$ 9,779,641	\$ 11,018,609	\$ 11,708,159	\$ 16,830,312	\$ 17,028,170	\$ 19,159,789	\$ 19,801,297
Total Primary Government Expenses	\$ 63,599,881	\$ 68,295,568	\$ 71,939,717	\$ 77,762,002	\$ 77,076,638	\$ 86,837,816	\$ 79,890,360	\$ 89,185,242	\$ 86,745,530	\$ 99,442,452
Program Revenues										
Governmental Activities										
Charges for Services	\$ 3,575,623	\$ 2,532,861	\$ 2,338,313	\$ 2,281,261	\$ 2,565,532	\$ 2,691,846	\$ 2,052,284	\$ 2,182,851	\$ 2,526,944	\$ 2,543,015
General government	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	6,177,670
Public safety	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	2,150,174
Public works	400,349	510,459	785,325	487,998	520,709	562,091	599,597	635,075	498,633	572,002
Culture and recreation	2,968,711	3,940,827	4,284,901	4,396,284	4,526,870	4,506,714	80,962	85,739	85,412	87,188
Health and sanitation	26,765	-	-	-	-	-	-	-	44,000	32,000
Economic development	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	4,634,204
Operating 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	2,067,975
Capital Grants and Contributions	15,864,634	18,144,464	19,294,829	20,107,298	22,464,877	21,017,596	15,177,764	15,791,489	17,568,459	18,264,228
Total Governmental Activities Program Revenues	\$ 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	\$ 15,850,671
Business-Type Activities										
Charges for Services	-	-	-	-	119,871	135,019	149,306	212,255	283,996	282,774
Utilities	-	-	-	-	-	-	-	-	-	-
Parking garage	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	\$ 5,075,488	\$ 4,958,994	\$ 5,285,856	\$ 5,801,624	\$ 6,705,806	\$ 6,454,438	\$ 12,908,084	\$ 14,657,946	\$ 15,170,433	\$ 16,133,445
Total Primary Government Program Revenues	\$ 20,940,122	\$ 23,103,458	\$ 24,580,685	\$ 25,908,922	\$ 29,170,683	\$ 27,472,034	\$ 28,085,848	\$ 30,449,435	\$ 32,738,892	\$ 34,397,673
Net (Expense) Revenue										
Governmental Activities	\$ (39,344,419)	\$ (40,744,597)	\$ (43,425,652)	\$ (47,875,063)	\$ (49,593,152)	\$ (54,112,061)	\$ (47,892,284)	\$ (56,365,583)	\$ (50,017,282)	\$ (61,376,927)
Business-Type Activities	(3,315,340)	(4,447,513)	(3,933,380)	(3,979,017)	(4,312,803)	(5,253,721)	(3,922,228)	(2,370,224)	(3,989,356)	(3,667,852)
Total Primary Government Net (Expense) Revenue	\$ (42,659,759)	\$ (45,192,110)	\$ (47,359,032)	\$ (51,853,080)	\$ (47,905,955)	\$ (59,365,782)	\$ (51,804,512)	\$ (58,735,807)	\$ (54,006,638)	\$ (65,044,779)

Note: The City moved its garbage collection (health and sanitation) activities from governmental activities to business-type activities for the year ended December 31, 2012.

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	\$ 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	\$ 31,831,367
Sales	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	3,842,183
Home Rule Sales	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	2,733,826
Utility	3,979,120	4,178,301	4,548,527	4,050,262	4,124,813	4,018,344	3,594,627	3,690,961	3,700,906	3,277,911
Real Estate Transfer	2,915,139	1,565,735	989,133	1,028,125	913,411	915,913	1,047,766	1,379,577	1,788,150	1,838,263
Other	757,008	1,066,871	1,064,663	967,893	877,660	835,216	1,032,829	1,275,332	1,345,423	1,589,496
Income taxes	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	7,386,431
Investment Earnings	442,830	1,019,673	863,193	330,184	216,629	88,309	64,149	61,432	70,120	73,779
Gain on sale of capital assets	-	-	-	-	-	222,500	69,195	4,953	1,261	184,694
Miscellaneous	182,793	63,518	227,446	198,975	56,177	75,321	182,917	579,565	675,936	252,871
Transfers	-	-	-	(12,879,994)	(137,342)	(227,166)	(400,866)	(97,572)	-	-
Total Governmental Activities	40,185,196	39,340,070	42,350,605	27,880,597	43,028,945	44,045,479	43,627,904	46,512,242	49,807,922	53,010,821
Business-Type Activities										
Investment Earnings	-	57,429	50,089	23,949	8,454	10,312	5,867	7,257	6,707	6,312
Miscellaneous	-	-	-	4,000	(7,912)	-	-	-	-	70,000
Transfers	-	-	-	12,879,994	137,342	227,166	400,866	97,572	-	-
Total Business-Type Activities	-	57,429	50,089	12,907,943	137,884	237,478	406,733	104,829	6,707	76,312
Total Primary Government	\$ 40,185,196	\$ 39,397,499	\$ 42,400,694	\$ 40,788,540	\$ 43,166,829	\$ 44,282,957	\$ 44,034,637	\$ 46,617,071	\$ 49,814,629	\$ 53,087,133
Change in Net Position	\$ 840,777	\$ (1,404,527)	\$ (1,075,047)	\$ (19,994,466)	\$ (564,207)	\$ (10,066,582)	\$ (4,254,380)	\$ (9,853,341)	\$ (209,360)	\$ (8,366,106)
Governmental Activities	(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)	(3,591,540)
Business-Type Activities	(2,474,563)	(5,794,611)	(4,958,338)	(11,064,540)	(4,739,126)	(15,082,825)	(7,769,875)	(12,118,736)	(4,192,009)	(11,957,646)

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 684,885	\$ 642,046	\$ 582,439	\$ 610,349	\$ 384,632	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	3,404,867	69,626	(434,196)	(234,524)	1,596,284	-	-	-	-	-
Nonspendable	-	-	-	-	-	409,721	846,629	890,155	920,863	645,211
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	372	749	27,741	28,632	33,444
Unassigned	-	-	-	-	-	4,086,449	5,951,993	9,143,348	13,366,935	18,838,228
Total General Fund	\$ 4,089,752	\$ 711,672	\$ 148,243	\$ 375,825	\$ 1,980,916	\$ 4,496,542	\$ 6,799,371	\$ 10,061,244	\$ 14,316,430	\$ 19,516,883
All Other Governmental Funds										
Reserved	\$ 17,101,126	\$ 17,062,795	\$ 19,643,461	\$ 15,724,685	\$ 22,265,090	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in										
Special Revenue Funds	-	(248,969)	(189,840)	178,493	(129,390)	-	-	-	-	-
Debt Service Funds	(3,028,916)	(1,319,907)	-	-	-	-	-	-	-	-
Capital Project Funds	357,607	21,969,161	17,175,732	5,268,804	3,801,219	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	17,546,863	14,301,432	10,250,023	7,966,584	5,567,670
Committed	-	-	-	-	-	1,732,894	2,184,339	2,138,978	1,557,221	1,471,876
Assigned	-	-	-	-	-	(420,533)	(365,851)	(666,134)	(287,608)	(143,074)
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 14,429,817	\$ 37,463,080	\$ 36,629,353	\$ 21,171,982	\$ 25,936,919	\$ 18,859,214	\$ 16,119,920	\$ 11,722,867	\$ 9,236,197	\$ 6,896,472

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Property taxes	\$ 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	\$ 31,831,367
Other taxes	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	20,739,219
Licenses and permits	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	3,692,357
Intergovernmental	5,567,284	5,218,266	4,604,635	5,983,259	7,842,004	5,980,488	3,707,916	4,191,527	3,893,088	3,903,745
Fines and forfeitures	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	5,563,051
Charges for services	5,171,263	5,966,322	6,368,630	7,936,434	5,665,356	5,688,389	1,783,072	1,743,419	2,077,548	1,616,795
Contributions	-	-	-	-	900,000	-	-	-	-	-
Investment income	442,376	1,001,246	870,564	329,883	216,629	88,284	64,149	61,432	70,122	73,779
Miscellaneous	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	1,942,151
Total Revenues	56,049,830	57,241,107	60,722,452	61,741,682	65,585,299	65,087,737	59,137,339	62,241,565	66,225,361	69,362,464
Expenditures										
General government	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	4,014,184
Public safety	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	67,047,018
Highways and streets	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	7,385,086
Health & welfare	2,516,150	3,793,645	3,979,436	4,004,624	4,265,730	4,086,307	-	-	-	-
Culture and recreation	3,620,208	4,089,133	4,060,655	4,085,092	4,370,606	5,020,555	4,788,958	4,769,354	4,922,054	5,007,073
Economic development	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	8,100,608
Capital outlay	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	727,843
Debt service										
Principal	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	4,700,652
Interest	3,323,375	3,568,413	4,346,090	4,414,093	4,353,525	4,660,159	4,718,742	4,842,213	6,390,279	7,027,263
Other charges	53,835	767,099	379,643	381,331	291,127	170,760	227,726	406,107	91,210	1,019,575
Total Expenditures	69,729,329	75,142,966	65,666,835	79,981,436	71,628,824	75,276,639	67,774,821	100,207,487	69,197,182	105,029,302
Excess (deficiency) of revenues over (under) expenditures	(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)	(35,666,838)
Other Financing Sources (Uses)										
Transfers in	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	1,595,966
Transfers (out)	(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)	(1,595,966)
Debt issued	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	38,811,860
Premium (discount) on bonds issued	-	1,146,682	(64,086)	(9,317,377)	258,302	(53,184)	(368,178)	170,408	349,073	(296,884)
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	12,514
Total Other Financing Sources (Uses)	11,514,507	38,049,909	882,719	3,004,547	12,413,553	5,646,823	8,201,017	36,645,678	4,740,334	38,527,490
Net Change in Fund Balances	\$ (2,164,992)	\$ 20,148,050	\$ (4,061,664)	\$ (15,235,207)	\$ 6,370,028	\$ (4,562,079)	\$ (436,465)	\$ (1,320,244)	\$ 1,768,513	\$ 2,860,652
Debt Service as a Percentage of Noncapital Expenditures	27.95%	27.31%	8.10%	9.01%	13.66%	12.09%	14.71%	9.63%	15.51%	11.44%

Note 1: 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: The City issued \$30 million in 2013 and \$31 million in 2015 to fund fire and police pensions, which caused large increases in public safety expenditures.

Data Source

Audited Financial Statements

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

Fiscal Year	Property Tax	Income Tax	Sales Tax	Home Rule Sales Tax	Personal Prop. Replacement	Municipal Utility Tax	Liquor Tax	Real Estate Transfer Tax	Gas Tax	Motor Fuel Tax	Other Taxes
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
2015	31,864,483	7,386,431	3,842,183	2,733,826	217,728	3,277,911	180,110	1,838,263	310,070	1,661,230	952,697

Motor Fuel Tax is presented as Intergovernmental Revenue in the financial statements.
From 2010 through 2015, 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
2005	853,293,634	171,983,602	54,227,847	278,528,880	800,976,203	2.22	2,402,928,609	33.3333%
2006	847,136,756	166,320,099	53,871,866	267,186,564	800,142,157	2.22	2,400,426,471	33.3333%
2007	889,222,360	167,643,270	55,748,222	277,382,974	835,230,878	2.45	2,505,692,634	33.3333%
2008	1,051,667,154	194,366,973	61,988,558	389,516,640	918,506,045	2.22	2,755,518,135	33.3333%
2009	1,002,325,200	175,398,379	49,149,463	312,780,439	914,092,603	2.56	2,742,277,809	33.3333%
2010	975,950,089	164,126,542	48,951,651	254,326,179	934,702,103	2.63	2,804,106,309	33.3333%
2011	687,305,686	141,302,119	42,209,450	118,146,785	752,670,470	3.38	2,258,011,410	33.3333%
2012	644,134,872	134,070,282	38,470,545	129,040,439	687,635,260	3.82	2,062,905,780	33.3333%
2013	600,937,260	128,184,812	38,721,765	120,423,467	647,420,370	4.47	1,942,261,110	33.3333%
2014	571,286,154	133,567,513	5,932,685	114,682,852	596,103,500	5.09	1,788,310,500	33.3333%

Note 1: 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: In prior years the County provided overstated Industrial values and understated Commercial/Residential values. There was no net impact on the total taxable assessed value and the appropriate allocation of values will be used going forward.

Note 3: Information for the 2015 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>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>
City Direct Rates										
General	0.41	0.31	0.84	0.94	1.29	1.34	2.18	2.33	2.652	2.99
Bond & Interest	1.14	1.15	0.81	0.55	0.54	0.53	0.26	0.30	0.708	0.98
City of Berwyn Library	0.17	0.18	0.31	0.28	0.28	0.32	0.40	0.45	0.476	0.56
Police Pension	0.24	0.28	0.24	0.22	0.22	0.21	0.26	0.36	0.307	0.30
Fire Pension	0.26	0.30	0.25	0.23	0.23	0.23	0.28	0.38	0.323	0.26
Total Direct Rate	2.22	2.22	2.45	2.22	2.56	2.63	3.38	3.82	4.465	5.09
Overlapping Rates										
Cook County	0.59	0.56	0.50	0.47	0.44	0.47	0.47	0.53	0.560	0.57
Metropolitan Water Rec.	0.32	0.28	0.26	0.25	0.26	0.27	0.32	0.37	0.417	0.43
School District #100	2.55	2.62	2.57	2.44	2.49	2.50	3.20	3.65	3.919	4.27
High School District #201	1.93	2.00	1.96	1.84	1.85	1.86	2.45	2.73	2.954	3.22
Berwyn Park District	0.27	0.32	0.32	0.30	0.31	0.31	0.32	0.37	0.396	0.44
Community College #527	0.40	0.42	0.41	0.39	0.39	0.39	0.50	0.56	0.613	0.67
Other	0.18	0.17	0.18	0.16	0.19	0.17	0.30	0.31	0.370	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>	2015			2006		
	<u>Taxable Assessed Value</u>	<u>2015 Rank</u>	<u>Percentage of Total City Taxable Assessed Valuation</u>	<u>Taxable Assessed Value</u>	<u>2006 Rank</u>	<u>Percentage of Total City Taxable Assessed Valuation</u>
MacNeal Memorial Hospital	\$ 21,718,615	1	3.64%	\$ 37,007,293	1	4.62%
Concordia Realty	7,267,929	2	1.22%	-	N/A	0.00%
Meijer	5,063,463	3	0.85%	-	N/A	0.00%
Berwyn Gateway Partners	3,175,045	4	0.53%	-	N/A	0.00%
Shurgard	3,114,799	5	0.52%	3,686,070	4	0.46%
Fairfax	2,662,445	6	0.45%	3,605,724	5	0.45%
McDonald's Co.	2,632,334	7	0.44%	2,587,112	7	0.32%
Byline Bank, Illinois	2,222,844	8	0.37%	2,469,393	8	0.31%
BMO Harris Bank NA	1,317,273	9	0.22%	2,783,564	6	0.35%
Turano Baking Company	1,189,708	10	0.20%	2,156,752	9	0.27%
Cermak Plaza Associates		N/A	0.00%	13,889,983	2	1.73%
SKS & Associates		N/A	0.00%	3,707,368	3	0.46%
MidAmerica Bank		N/A	0.00%	1,811,912	10	0.23%
TOTAL	\$ 50,364,455		8.45%	\$ 54,295,908		6.78%

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
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%	237,806	25,448,472	97.00%
2013	28,903,844	27,866,442	96.41%	788,397	28,654,838	99.14%
2014	30,319,466	29,019,276	95.71%	-	29,019,276	95.71%

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			
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
2015	164,754,374	2,207,969	759,924	7,054,194	-	194,450	174,970,911	13.92%	3,088

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 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

Fiscal Year	General Obligation Bonds	Less: Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
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	7.69%	2,426.60
2015	164,124,062	1,138,754	162,985,308	N/A	

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 for property value data.

N/A - not available

CITY OF BERWYN, ILLINOIS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
December 31, 2015

<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	\$ 173,783,204	100.00%	\$ 173,783,204
Cook County	3,311,910,000	0.46%	15,234,786
Cook County Forest Preserve District	112,720,000	0.46%	518,512
Metropolitan Water Reclamation District	2,493,400,740	0.47%	11,718,983
Berwyn Park District	2,290,000	100.00%	2,290,000
North Berwyn Park District	2,575,000	100.00%	2,575,000
Schools			
Elementary District No. 100	31,220,000	100.00%	31,220,000
High School District No. 201	27,805,158	41.50%	11,539,141
Community College District No. 527	<u>3,890,000</u>	41.50%	<u>1,614,350</u>
	<u>5,985,810,898</u>		<u>76,710,772</u>
	<u>\$ 6,159,594,102</u>		<u>\$ 250,493,976</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, 2015

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

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2015	56,657	\$ 1,256,652,260	\$ 22,180	5.3%
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%

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

2015		2006	
Employer	Number of Employees	Employer	Number of Employees
	% of Total City Employment		% of Total City Employment
MacNeal Memorial Hospital	2,200	MacNeal Memorial Hospital	2,200
Morton West High School *	1,000	Morton West High School	436
City of Berwyn*	544	Berwyn South School	422
Berwyn South School	456	City of Berwyn	375
Berwyn North School	370	Berwyn North School District	346
Campagna-Turano Baking Co.	300	Turano Baking Company	300
Rosin Eyecare	85	Citizens Community Bank	149
Vanguard Distribution	50	Community Care Options	140
Byline Bank	35	BP Products N.A.	90
Physician's Record Co.	32	Rosin Optical Co., Inc.	85

* Includes part-time employees

Data Source

Phone canvass of employers, 2015 Illinois Service Directory and 2015 Illinois Manufacturer Directory
 2006 Illinois Services and Manufacturing Directories and a phone canvass of employers

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

<u>Function/Program</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>2015</u>
General Government										
Administration	16	16	17	16	15	15	15	13	16	16
Finance	19	19	12	12	12	16	15	15	15	16
Community Development	16	16	16	16	18	17	16	17	18	17
Public Safety										
Police										
Officers	98	101	101	104	106	107	110	107	109	108
Civilians	53	56	25	56	34	38	34	39	41	49
Fire										
Firefighters and officers	66	66	66	68	66	78	80	80	80	80
Civilians	2	2	2	1	1	1	1	1	1	1
Public Works	48	48	48	44	38	36	34	39	38	43
Culture & Recreation	58	59	59	58	44	41	41	41	41	41

Data Source

City payroll office

CITY OF BERWYN, ILLINOIS
OPERATING INDICATORS
Last Ten Fiscal Years

<u>Function/Program</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>2015</u>
Public Safety										
Police										
Physical arrests	2,795	2,002	2,054	2,815	3,971	2,237	2,189	1,995	1,493	1,050
Parking violations	65,277	66,442	67,941	67,941	41,641	44,569	61,046	64,778	62,980	59,143
Traffic tickets issued	9,043	1,101	1,193	11,020	20,762	19,057	16,084	14,129	12,343	9,878
Fire										
Emergency responses	8,566	9,539	9,308	8,413	6,557	6,624	6,642	7,076	7,179	6,897
Fires extinguished	190	333	114	139	199	146	174	151	131	119
Public Works										
Street resurfacing (miles)	1.3	-	-	2.0	-	-	-	1.1	0.5	0.7
Pothole repairs	1,465	1,515	1,576	1,692	2,769	3,500	4,100	4,500	4,200	4,300
Water										
New connections	3	2	3	1	14	13	9	17	21	30
Water main breaks	251	322	317	233	168	142	129	107	96	82
Average daily consumption	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	4.93 MGD
Peak daily consumption	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	6.90 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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	37	52	47	58	78	74	81	81	90	103
Fire										
Fire stations	3	3	2	3	3	3	3	3	3	3
Fire engines and trucks	4	4	4	4	4	4	5	5	5	5
Public Works										
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
Water										
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
Wastewater										
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