

**BROADVIEW-WESTCHESTER JOINT
WATER AGENCY, ILLINOIS**

ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
APRIL 30, 2016**

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

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INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

October 18, 2016

Members of the Board of Directors
Broadview-Westchester Joint Water Agency
Broadview, Illinois

We have audited the accompanying financial statements of the Broadview-Westchester Joint Water Agency, Illinois, as of and for the year ended April 30, 2016, and the related notes to the financial statements, which collectively comprise the Agency'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 conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of 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 Agency'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 Agency'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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Broadview-Westchester Joint Water Agency, Illinois, as of April 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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 Broadview-Westchester Joint Water Agency, Illinois', basic financial statements. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplemental schedules are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 supplemental schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.


LAUTERBACH & AMEN, LLP

MANAGEMENT DISCUSSION AND ANALYSIS

BROADVIEW WESTCHESTER JOINT WATER AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2016

The Broadview Westchester Joint Water Agency (the Agency) Management's Discussion and Analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Agency's financial activity, (3) identify changes in the Agency's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual issues and concerns.

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

FINANCIAL HIGHLIGHTS

- The Agency's net position increased by \$715,389 in 2016 create ending net position of \$6,827,499.
- The operating revenues were \$503,083 under budget. Total expenses were \$859,438 under budget.
- As of April 30, 2016, the Agency maintained \$4,318,537 in cash and investments.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- Entity-wide financial statements
- Fund financial statements
- Notes to the financial statements.

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

Entity-Wide Financial Statements

The entity-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to private sector business.

The Statement of Net Position presents information on all of the Agency's assets and liabilities with the difference between the two reported as net position. Over time, increases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

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 Agency uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The Agency is unique to many governments since it is an entity with only one fund, proprietary in nature.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary and other information concerning the Agency's progress in funding its obligation to provide pension benefits to its employees.

FINANCIAL ANALYSIS OF THE AGENCY

Table 1 – Condensed Statement of Net Position

	2016	2015
Capital Assets, net of depreciation	\$6,054,078	\$6,192,405
Current and other assets	5,471,245	4,751,191
Deferred Outflows	39,309	-
Total Assets	<u>11,564,632</u>	<u>10,943,596</u>
Other liabilities	1,107,595	935,352
Noncurrent Liabilities	<u>3,629,538</u>	<u>3,923,234</u>
Total Liabilities	<u>4,737,133</u>	<u>4,858,586</u>
Net Investment in Capital Assets	2,292,451	2,269,171
Restricted	366,710	211,214
Unrestricted Net position	<u>4,168,338</u>	<u>3,604,625</u>
Total Net position	<u>6,827,499</u>	<u>6,085,010</u>

(See independent auditor's report)

Table 2 – Condensed Statement of Changes in Net Position

	2016		2015	
Operations				
Sale of Water	\$ 6,466,920	100%	\$ 6,197,046	100%
Total Operating Revenues	<u>6,466,920</u>	100%	<u>6,197,046</u>	100%
Operating Expenses				
Source of Water	4,966,829	87%	4,713,897	85%
Repairs and maintenance	64,030	1%	104,127	2%
Administration	553,626	10%	605,894	11%
Depreciation	138,327	2%	90,436	2%
Total Operating Expenses	<u>5,722,812</u>	100%	<u>5,514,354</u>	100%
Non-operating Revenues (Expenses)				
Interest Income	18,893		10,039	
Other Income	41,504		56,926	
Other Expense	-		(73,684)	
Interest Expense	<u>(89,116)</u>		<u>(133,586)</u>	
Increase/(Decrease) in Net Position	<u>\$ 715,389</u>		<u>\$ 542,387</u>	

Revenues for the Agency are a function of the rate that is charged to each of the member communities and the hospital campus we serve. In the current year, the Agency experienced a 4.3% increase in the water revenue over last year. The increase in the revenues was created by the 11% increase in the rates to cover the costs of the operations of the Agency.

The total expenses for the Agency increased by \$208,458 over 2015. This is a 38% increase over prior year. This increase was due to the City of Chicago implementing a 15% increase in January 2015. The Agency saw a 13% decrease in the administration costs due to additional costs incurred in 2015 due to delays in the completion of the building project that did not exist in 2016.

Budgetary Highlights

The Water Agency amended their budget once during the fiscal year to accommodate for some overages that occurred the delays in the construction project. For the current year, operating revenue received was over budget by \$503,083. This overage was due to an increase water rates and usage for the year. The Agency was under budget by \$859,438 for operating expenses. During the current year, the Agency had a decrease in costs from water purchased as well as repairs and maintenance expenses.

(See independent auditor's report)

Capital Assets

By the end of 2016, the Agency had invested \$6.1 million in a broad range of capital assets, including water system (mains, valves, radio-read meter, etc.); multiple reservoirs; transportation equipment; field supplies and equipment; office furniture, fixtures, office/computer hardware and software and building infrastructure and mechanicals. Detail of Capital Assets can be found in Note 3.

The total depreciation expense for the year was \$138,327.

Long Term Debt

The Agency is utilizing long term debt to finance the construction of the 10th Avenue Station. As of April 30, 2016, the Agency had \$3,761,627 of Illinois Environmental Protection Agency Loans outstanding. Detail of Long Term Debt can be found Note 3.

Factors Bearing on the Agency's Future

The Agency faces the same problems that similar municipal entities face. High fixed costs and aging infrastructure burden resources and dominate short and long term financial planning. The Agency has a 40 year old transmission main that could incur unexpected expenses. The Board began evaluating their options to help create redundancies within their system to minimize risks of failures within the system. The process is expected to be an extended process with several joint governmental agreements being entered into. This will help ease the stress on the Agency.

As with any government entity which operates an enterprise activity, the Agency must continually monitor its billing rates to gain assurances that the rates charged are sufficient to cover operating costs. The Agency is in the final year of a four year increase in water rates from the City of Chicago. The City of Chicago has identified the need for additional increases in the water rates over the next four years. The exact increase is not been reported out to the agency. Those increases along with future debt service requirements will play a large role in the evaluation of the water rates charged to customers over future years.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our customers, investors and creditors with a general overview of the Agency's finances and to demonstrate the Agency's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be forwarded to the Broadview Westchester Joint Water Agency, 2222 S. 10th Avenue, Broadview, Illinois 60155.

(See independent auditor's report)

BASIC FINANCIAL STATEMENTS

BROADVIEW-WESTCHESTER JOINT WATER AGENCY, ILLINOIS

**Statement of Net Position
April 30, 2016**

ASSETS	
Current Assets	
Cash and Investments	\$ 4,318,537
Receivable - Members	855,418
Receivable - Customers	264,026
Receivable - Other	9,832
Prepays	23,432
Total Current Assets	<u>5,471,245</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	606,392
Depreciable Capital Assets	8,539,180
Less Accumulated Depreciation	<u>(3,091,494)</u>
Total Noncurrent Assets	<u>6,054,078</u>
Total Assets	<u>11,525,323</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>39,309</u>
Total Assets and Deferred Outflows of Resources	<u>11,564,632</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	917,751
Accrued Payroll	3,862
Accrued Interest Payable	20,645
IEPA Loan Payable	165,337
Total Current Liabilities	<u>1,107,595</u>
Noncurrent Liabilities	
Net Pension Liability - IMRF	33,248
IEPA Loan Payable	<u>3,596,290</u>
Total Noncurrent Liabilities	<u>3,629,538</u>
Total Liabilities	<u>4,737,133</u>
NET POSITION	
Net Position	
Net Investment in Capital Assets	2,292,451
Unrestricted	<u>4,535,048</u>
Total Net Position	<u><u>6,827,499</u></u>

The notes to the financial statements are an integral part of this statement.

BROADVIEW-WESTCHESTER JOINT WATER AGENCY, ILLINOIS

**Statement of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Original Budget	Final Budget	Actual
Operating Revenues			
Water Sales	\$ 6,970,003	6,970,003	6,466,920
Expenses			
Operations	6,582,250	6,582,250	5,584,485
Depreciation	-	-	138,327
Total Operating Expenses	6,582,250	6,582,250	5,722,812
Operating Income	387,753	387,753	744,108
Nonoperating Revenues (Expenses)			
Interest Income	6,210	6,210	18,893
Other Income	-	-	41,504
Principal Retirement	(265,000)	(265,000)	-
Interest Expense	-	-	(89,116)
	(258,790)	(258,790)	(28,719)
Change in Net Position	128,963	128,963	715,389
Net Position			
Beginning as Restated			6,112,110
Ending			6,827,499

The notes to the financial statements are an integral part of this statement.

BROADVIEW-WESTCHESTER JOINT WATER AGENCY, ILLINOIS

Statement of Cash Flows For the Fiscal Year Ended April 30, 2016

Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 6,935,697
Other Income	41,504
Payment to Employees	(332,769)
Payment to Suppliers	(5,211,562)
	<u>1,432,870</u>
Cash Flows from Capital and Related Financing Activities	
Payment of IEPA Loan	(161,607)
Interest and Fiscal Charges	(89,116)
	<u>(250,723)</u>
Cash Flows from Investing Activities	
Interest Received	<u>18,893</u>
Net Change in Cash and Cash Equivalents	1,201,040
Cash and Cash Equivalents	
Beginning	<u>3,117,497</u>
Ending	<u><u>4,318,537</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used)	
by Operating Activities	
Operating Income	744,108
Adjustments to Reconcile Operating Income to	
Net Cash Provided by Operating Activities:	
Depreciation Expense	138,327
Other Income	41,504
(Increase) Decrease in Current Assets	468,777
Increase (Decrease) in Current Liabilities	<u>40,154</u>
Net Cash Provided by Operating Activities	<u><u>1,432,870</u></u>

The notes to the financial statements are an integral part of this statement.

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Broadview Westchester Joint Water Agency, Illinois (the “Agency”) was organized on March 1, 2006. The Agency assumed all contracts, debts, liabilities, obligations and assets of the Westchester-Broadview Joint Water Commission (established November 27, 1927) under the authority of the Intergovernmental Cooperation Act, Municipal Joint Water Agency (5 ILCS 220-3.1). The charter members of the Agency are the Villages of Broadview and Westchester. The purposes and objectives of the Agency are:

1. To provide water to member municipalities and other customers.
2. To plan, construct, acquire, develop, operate, maintain or contract for facilities in receiving and transmitting water from Lake Michigan for the principal use and mutual benefits of the municipalities and their water users
3. To provide adequate supplies of such water on an economical and efficient basis for the municipalities.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Agency’s accounting policies established in GAAP and used by the Agency are described below.

REPORTING ENTITY

The Agency is an intergovernmental agency created under the Illinois Intergovernmental Act and is governed by a Board of Directors, which consists of one elected official from each member municipality.

As required by GAAP, these financial statements present the Agency and its component units, entities for which the Agency is considered to be financially accountable. There are no component units of the Agency, and the Agency should not be included as a component unit of any of its members.

BASIS OF PRESENTATION

In the Statement of Net Position, the Agency’s activities are reported on a full accrual, economic resources basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term/deferred inflows obligations.

The Agency uses funds to report on its financial position and the results of its operations. 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.

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

The Agency utilizes a single proprietary fund. 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 are provided to outside parties.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

All proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

The Agency’s basic financial statements are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Agency are charges to customers for services. Operating expenses include the cost of services, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, the cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of purchase.

Investments are reported at fair value, which is based on quoted market prices for the same or similar investments.

Prepays

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaids.

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets

Under the terms of the intergovernmental agreement for the establishment of the Agency dated March 1, 2006, the members conveyed all portions of the waterworks system (excluding land) to the Agency. Value of assets conveyed was determined based on an independent appraisal.

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. For movable property, the Agency’s capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life that is greater than one year. Renovations to buildings and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Donated capital assets are recorded at estimated fair market value at the date of donation. Depreciation has been provided using the straight-line method over the following estimated useful lives of the assets:

Infrastructure	50 Years
Buildings	20 - 50 Years
Machinery and Equipment	5 - 15 Years
Land Improvements	20 Years

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an outflow or resources (expense)/inflow of resources (revenue) until that future time.

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in two components:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Unrestricted – All other net position balances that do not meet the definition of “net investment in capital assets.”

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. The Agency shall operate within a Balanced Budget in each fiscal year. Not later than forty-five (45) days before the end of each fiscal year, the Finance Director must submit to the Board the proposed Balanced Budget for the next fiscal year. “Balanced Budget” means, with respect to a fiscal year, a budget in each case approved by the Board in which (i) the amount of projected revenues and the amount of projected expenses are equal, and (ii) any prior year encumbrance is reflected in such budget as an expense which is offset by a corresponding prior year fund balance relating to such expense included in such budget.

NOTE 3 – DETAILED NOTES ON THE BASIC FINANCIAL STATEMENTS

DUE FROM MEMBERS

At April 30, 2016, the Agency has the following amounts receivable from member agencies:

<u>Member</u>	<u>Amount</u>
Village of Broadview	\$ 409,647
Village of Westchester	<u>445,771</u>
Total	<u><u>855,418</u></u>

ACCOUNTS RECEIVABLE

At April 30, 2016, the Agency had the following amounts receivable from customers:

<u>Member</u>	<u>Amount</u>
U.S. Veterans Administration	\$ 85,346
Loyola Hospital	90,045
Madden Mental Health Center	48,526
Chase Credit Card	<u>40,109</u>
Total	<u><u>264,026</u></u>

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAILED NOTES ON THE BASIC FINANCIAL STATEMENTS – Continued

DEPOSITS AND INVESTMENTS

Permitted Deposits and Investments – Statutes authorize the Agency to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds and Illinois Metropolitan Investment Fund investment pools.

Illinois Funds is an investment pool management by the Illinois Public Treasurer’s Office, which allows governments within the state to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds does operate in a manner consistent with Rule 2a7 of the investment company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Agency’s deposits totaled \$2,719,888 and the bank balances totaled \$3,129,597. The Agency also has \$859,122 invested in the Illinois Funds and \$739,527 in IMET at year end.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Agency invests 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 Agency 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 Agency are, in order of priority, legality, safety of principal, liquidity, and rate of return. The Agency’s investment in the Illinois Funds has an average maturity of less than one year and the Agency’s investment in IMET has an average maturity of one to five years.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Agency limits its exposure to credit risk by primarily investing U.S. Treasury obligations and external investment pools. The Agency’s investments in the Illinois Funds is rated AAAM by Standard & Poor’s and the Agency’s investment in the Illinois Metropolitan Investment Trust Convenience Fund is not rated and the 1-3 Year Fund is rated Aaa by Moody’s.

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAILED NOTES ON THE BASIC FINANCIAL STATEMENTS – Continued

DEPOSITS AND INVESTMENTS – Continued

Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Agency’s deposits may not be returned to it. The Agency does not have a formal investment policy regarding custodial credit risk for deposits. At year end, the entire bank balance was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that, in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Agency does not have a formal investment policy regarding custodial credit risk for investments. At April 30, 2016, the Agency’s investment in the Illinois Funds and IMET funds are not subject to custodial credit risk.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Agency’s investment in a single issuer. The Agency has a high percentage of its investments invested in one type of investment. At April 30, 2016, the Agency has over 5% of cash and investments invested in Illinois Funds and IMET.

WATER SUPPLY CONTRACT

The Agency has a water supply contract with the City of Chicago (the “City”) to purchase Lake Michigan water from the City for resale to members and customers located within the corporate limits of the Agency. Quantities purchased are limited by a state allocation plan (State Opinion and Order Number LMO 99-3, as amended from time to time). The rates charged by the City are determined by city ordinance (currently \$2.50 per 1,000 gallons). The Agency sets its own rates for sale of the water to its members and customers. The Agency is responsible for the maintenance of the water system.

SIGNIFICANT CUSTOMERS

The Agency recognized revenue from the following members and significant customers during the fiscal year ended April 30, 2016:

Member/Significant Customer	Revenues	Percentage
Village of Westchester	\$ 2,529,485	39.11%
Village of Broadview	2,162,967	33.45%
Loyola Hospital	1,079,092	16.69%
Madden Zone Center	58,686	0.91%
U.S. Veterans Administrations	636,690	9.85%

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAILED NOTES ON THE BASIC FINANCIAL STATEMENTS – Continued

CAPITAL ASSETS

The following is a summary of capital assets as of the date of this report:

	Beginning Balances	Additions	Deletions	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 588,155	-	-	588,155
Construction in Progress	18,237	-	-	18,237
	<u>606,392</u>	<u>-</u>	<u>-</u>	<u>606,392</u>
Depreciable Capital Assets				
Infrastructure	3,396,531	-	-	3,396,531
Buildings	4,978,968	-	-	4,978,968
Machinery and Equipment	129,573	-	-	129,573
Land Improvements	34,108	-	-	34,108
	<u>8,539,180</u>	<u>-</u>	<u>-</u>	<u>8,539,180</u>
Less Accumulated Depreciation				
Infrastructure	2,481,192	31,233	-	2,512,425
Buildings	400,331	97,913	-	498,244
Machinery and Equipment	52,849	7,836	-	60,685
Land Improvements	18,795	1,345	-	20,140
	<u>2,953,167</u>	<u>138,327</u>	<u>-</u>	<u>3,091,494</u>
Total Net Depreciable Capital Assets	<u>5,586,013</u>	<u>(138,327)</u>	<u>-</u>	<u>5,447,686</u>
Total Net Capital Assets	<u>6,192,405</u>	<u>(138,327)</u>	<u>-</u>	<u>6,054,078</u>

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAILED NOTES ON THE BASIC FINANCIAL STATEMENTS – Continued

LONG-TERM DEBT

IEPA Loans Payable

The Agency has entered into loan agreements with the IEPA to provide low interest financing for capital improvements. IEPA loans currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances	Amounts Due within One Year
Illinois Environmental Protection Agency (IEPA) Loan Payable of 2012, due in annual installments of including interest at 2.50% through August 6, 2034.	\$ 3,923,234	-	161,607	3,761,627	165,337

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Business-Type Activities					
Net Pension Liability - IMRF	\$ 34,681	-	1,433	33,248	-
IEPA Loans Payable	3,923,234	-	161,607	3,761,627	165,337
	<u>3,957,915</u>	<u>-</u>	<u>163,040</u>	<u>3,794,875</u>	<u>165,337</u>

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAILED NOTES ON THE BASIC FINANCIAL STATEMENTS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	IEPA Loans Payable	
	Principal	Interest
2016	\$ 165,337	85,386
2017	169,153	81,570
2018	173,058	77,665
2019	177,052	73,671
2020	181,139	69,584
2021	185,320	65,403
2022	189,597	61,126
2023	193,974	56,749
2024	198,450	52,273
2025	203,031	47,692
2026	207,717	43,006
2027	212,512	38,211
2028	217,417	33,306
2029	222,435	28,288
2030	227,570	23,153
2031	232,822	17,901
2032	238,197	12,526
2033	243,694	7,029
2034	123,152	1,413
Total	<u>3,761,627</u>	<u>875,952</u>

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAILED NOTES ON THE BASIC FINANCIAL STATEMENTS – Continued

NET POSITION CLASSIFICATION

Net investment in capital assets was comprised of the following as of April 30, 2016:

Business-Type Activities		
Capital Assets - Net of Accumulated Depreciation	\$	6,054,078
Less Capital Related Debt:		
IEPA Loans		<u>(3,761,627)</u>
Net Investment in Capital Assets		<u><u>2,292,451</u></u>

NET POSITION DESIGNATIONS

The following are net position designations at year-end for the Agency:

	<u>2016</u>	<u>2015</u>
Unrestricted Net Position		
Designated for Working Capital Reserve	\$ 936,431	851,390
Undesignated	<u>3,598,618</u>	<u>2,964,449</u>
Total Unrestricted Net Position	<u><u>4,535,048</u></u>	<u><u>3,815,839</u></u>

NET POSITION RESTATEMENT

Net position was restated due to the implementation of GASB Statement No. 68. The following is a summary of the net position as originally reported and as restated:

	<u>As Reported</u>	<u>As Restated</u>	<u>Increase</u>
Net Position	\$ 6,085,010	6,112,110	27,100

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Agency's employees. These risks are covered by commercial insurance. 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 prior year (from inception).

CONTINGENT LIABILITIES

Litigation

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

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The Agency contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan; those provisions can only be amended by the Illinois General Assembly. IMRF provides retirement, disability, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions

Plan Administration. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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 employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Plan Membership. As of December 31, 2015, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	2
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	<u>3</u>
Total	<u><u>6</u></u>

Contributions. As set by statute, the Agency’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Agency’s annual contribution rate for calendar year 2015 was 23.20% of covered payroll.

Net Pension Liability. The Agency’s net pension liability was measured as of December 31, 2015. 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 was determined by an actuarial valuation performed, as of December 31, 2015, using the following actuarial methods and assumptions:

Actuarial Valuation Date	12/31/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.50%
Salary Increases	3.75% to 14.50%
Cost of Living Adjustments	2.75%
Inflation	2.75%

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

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

Discount Rate

The discount rate used to measure the total pension liability was 7.50%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Agency contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

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%)
Net Pension Liability	\$ 73,236	33,248	510

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 228,942	194,261	34,681
Changes for the Year:			
Service Cost	22,091	-	22,091
Interest on the Total Pension Liability	17,729	-	17,729
Difference Between Expected and Actual Experience of the Total Pension Liability	7,520	-	7,520
Changes of Assumptions	-	-	-
Contributions - Employer	-	46,302	(46,302)
Contributions - Employees	-	8,982	(8,982)
Net Investment Income	-	1,092	(1,092)
Benefit Payments, including Refunds of Employee Contributions	(7,195)	(7,195)	-
Other (Net Transfer)	-	(7,603)	7,603
Net Changes	40,145	41,578	(1,433)
Balances at December 31, 2015	269,087	235,839	33,248

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the year ended April 30, 2016, the Agency recognized pension expense of \$21,039. At April 30, 2016, the Agency reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 6,273	-	6,273
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	11,997	-	11,997
Pension Contributions Made Subsequent to the Measurement Date	21,039	-	21,039
Total Deferred Amounts Related to IMRF	<u>39,309</u>	<u>-</u>	<u>39,309</u>

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

Fiscal Year	Net Deferred Outflows of Resources
2017	\$ 25,285
2018	4,246
2019	4,246
2020	4,247
2021	1,247
Thereafter	<u>38</u>
Total	<u>39,309</u>

BROADVIEW WESTCHESTER JOINT WATER AGENCY, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Agency has evaluated its potential other post-employment benefits liability. The Agency provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the Agency are required to pay 100% of the current premium. However, no former employees have chosen to stay in the Agency's health insurance plan. There has been 0% utilization and, therefore, no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. Additionally, the Agency had no former employees for which the Agency was providing any explicit subsidy and no current employees with agreements for future explicit subsidies upon retirements. Therefore, the Agency has not recorded any post-employment benefit liability as of April 30, 2016.

REQUIRED SUPPLEMENTARY INFORMATION

BROADVIEW-WESTCHESTER JOINT WATER AGENCY, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2016**

Calendar Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 21,398	\$ 46,302	\$ 24,904	\$ 199,608	23.20%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	December 31, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	28 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	3.00%
Salary Increases	4.40% - 16.00%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2000 Combined Healthy Mortality Table

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

BROADVIEW-WESTCHESTER JOINT WATER AGENCY, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2016**

	<u>12/31/15</u>
Total Pension Liability	
Service Cost	\$ 22,091
Interest	17,729
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	7,520
Change of Assumptions	-
Benefit Payments, Including Refunds of Member Contributions	<u>(7,195)</u>
Net Change in Total Pension Liability	40,145
Total Pension Liability - Beginning	<u>228,942</u>
Total Pension Liability - Ending	<u><u>269,087</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 46,302
Contributions - Members	8,982
Net Investment Income	1,092
Benefit Payments, Including Refunds of Member Contributions	(7,195)
Administrative Expense	<u>(7,603)</u>
Net Change in Plan Fiduciary Net Position	41,578
Plan Net Position - Beginning	<u>194,261</u>
Plan Net Position - Ending	<u><u>235,839</u></u>
Employer's Net Pension Liability	<u><u>\$ 33,248</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.64%
Covered-Employee Payroll	\$ 199,608
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	16.66%

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

SUPPLEMENTAL SCHEDULES

BROADVIEW-WESTCHESTER JOINT WATER AGENCY, ILLINOIS

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Original Budget	Final Budget	Actual
Salaries and Benefits			
Salaries	\$ 202,100	202,100	196,224
Employee Benefits			
FICA	15,000	15,000	14,355
Unemployment Taxes	1,500	1,500	803
IMRF	25,000	50,000	65,994
Health/Life Insurance	74,325	74,325	55,393
Total Salaries and Benefits	<u>317,925</u>	<u>342,925</u>	<u>332,769</u>
Operations			
Water Purchases	<u>5,820,000</u>	<u>5,820,000</u>	<u>4,966,829</u>
Utilities			
Electric	85,000	85,000	66,162
Cell Phone	3,500	3,500	3,415
Telephone	15,000	15,000	6,825
Heating - 10th Ave	6,000	6,000	4,251
Heating - Cuyler Ave	1,200	1,200	1,019
Total Utilities	<u>110,700</u>	<u>110,700</u>	<u>81,672</u>
Professional Fees			
Legal Fees	50,000	50,000	28,701
Accounting Fees	16,800	16,800	15,600
Auditing Fees	13,500	13,500	9,850
Engineering Services	40,000	40,000	17,427
Total Professional Fees	<u>120,300</u>	<u>120,300</u>	<u>71,578</u>
Repairs and Maintenance			
Vehicle Repairs/Replacement	2,200	2,200	1,934
Laboratory Test Fees	800	800	803
Chlorine	4,000	4,000	2,423
Cleaning and Paint Supplies	1,000	1,000	697
Equipment Repairs/Replacement	51,500	26,500	1,691
Small Tools and Spare Parts	350	350	108
Building Repair and Maintenance	6,500	6,500	6,375

BROADVIEW-WESTCHESTER JOINT WATER AGENCY, ILLINOIS

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Original Budget	Final Budget	Actual
Operations - Continued			
Repairs and Maintenance - Continued			
Landscaping Fees	\$ 6,000	6,000	6,085
Pump Station Repairs/Replacement	8,000	7,000	
Water Main Repairs	50,000	50,000	36,364
Transmission Valve Service and Repair	5,000	5,000	4,150
Cross Connect Repairs	5,000	5,000	
Calibration and Testing	2,000	4,000	3,320
Meter Repair/Replacement	10,000	8,000	80
Total Repairs and Maintenance	152,350	126,350	64,030
Other			
Internet/Website	3,500	3,500	5,282
Office Supplies	2,500	2,500	1,955
Payroll Expense	500	500	133
Subscriptions/Publications	4,000	4,000	1,952
Uniform Expense	1,500	1,500	963
Recording Secretary	3,000	3,000	3,000
Bank Service Charges	1,000	2,000	1,608
Bad Debt Expense	-	-	11,919
Regular Meeting Expense	1,300	1,300	1,116
Postage & Delivery	275	275	110
Dues	400	400	522
General Liability Insurance	31,000	31,000	29,954
Workers Comp Insurance	10,500	10,500	7,537
Miscellaneous	1,500	1,500	1,556
Total Other	60,975	61,975	67,607
Total Operations	6,582,250	6,582,250	5,584,485
Depreciation	-	-	138,327
Total Operating Expenses	6,582,250	6,582,250	5,722,812

VILLAGE OF ANTIOCH, ILLINOIS

Long-Term Debt Requirements

IEPA Loan of 2010

April 30, 2016

Date of Issue	June 10, 2010
Date of Maturity	August 6, 2034
Authorized Issue	\$4,003,169
Interest Rate	2.50%
Interest Dates	August 6 and February 6
Principal Maturity Date	August 6 and February 6
Payable at	Illinois Environment Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2017	\$ 165,337	85,386	250,723
2018	169,153	81,570	250,723
2019	173,058	77,665	250,723
2020	177,052	73,671	250,723
2021	181,139	69,584	250,723
2022	185,320	65,403	250,723
2023	189,597	61,126	250,723
2024	193,974	56,749	250,723
2025	198,450	52,273	250,723
2026	203,031	47,692	250,723
2027	207,717	43,006	250,723
2028	212,512	38,211	250,723
2029	217,417	33,306	250,723
2030	222,435	28,288	250,723
2031	227,570	23,153	250,723
2032	232,822	17,901	250,723
2033	238,197	12,526	250,723
2034	243,694	7,029	250,723
2035	123,152	1,413	124,565
	3,761,627	875,952	4,637,579